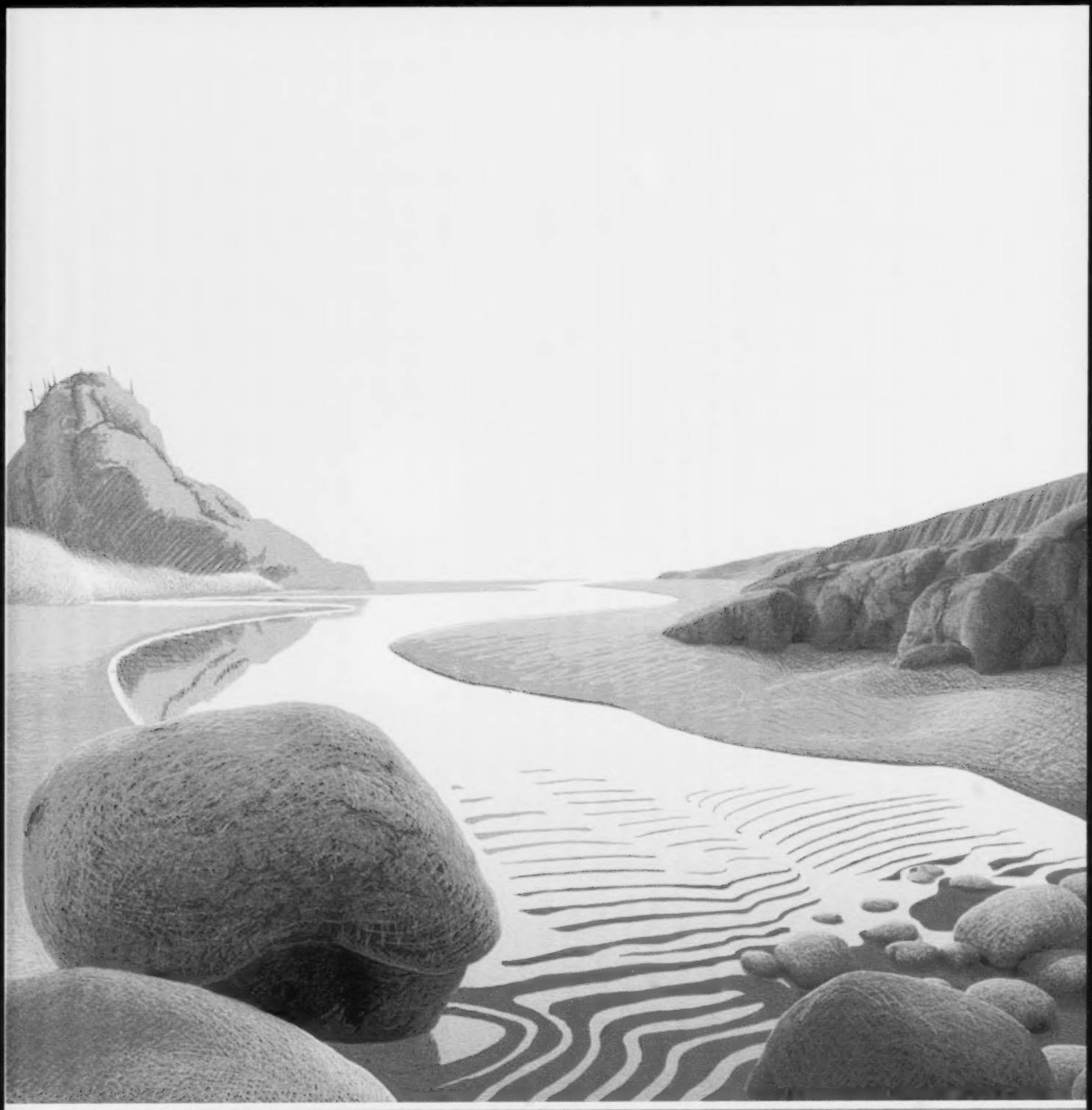

ROYAL BC MUSEUM CORPORATION 2009-2010 ANNUAL REPORT

BRITISH COLUMBIA
The Best Place on Earth

ROYAL BC MUSEUM
Where the past lives.

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Front cover: Long Beach, West Coast Vancouver Island, from the mural Splendid Diversity – 36 More Wonders of the World. *Artist, Carol Christianson, commissioned for* Free Spirit: Stories of You, Me and BC

ROYAL BC MUSEUM

Where the past lives.

Message from the Chair and CEO to the Minister Responsible

Donald Hayes

On behalf of the Board of Directors of the Royal BC Museum Corporation (Royal BC Museum), we are pleased to present the Corporation's 2009/10 Annual Report.

Last year, we shared the economic challenges that have been felt around the world. In financial terms, it was tough going. But in terms of the experience we offered to our visitors, 2009/10 was tremendously successful. We shared with our audience a rich and ambitious exhibition program. *Treasures: The World's Cultures from the British Museum* amazed and moved our visitors through our distinctive presentation of hundreds of precious artifacts from around the world. *S'abadeb – The Gifts: Pacific Coast Salish Art and Artists* was the first major international exhibition to showcase artworks and artifacts representing the fascinating culture of the Coast Salish First Peoples. And finally, *Silver of the Stars* invited visitors to share a glimpse into the creative mindset of 10 different Scottish celebrities who teamed up with world-class silversmiths to create elaborate drinking vessels. All three of our travelling exhibitions brought pleasure and knowledge to hundreds of thousands of visitors last year.

In 2009/10, the economic slowdown and decline in tourism to BC and Victoria negatively impacted visitation to our galleries and exhibitions, resulting in admission revenues that were $1.02 million lower than forecast. Coupled with scaled-back operating grants, this made for a challenging year. We acted promptly to mitigate these reductions by cutting back expenditures, reducing operating hours and by making changes to staffing, resulting in a year-end net loss of $0.36 million. Forecasts for future years are also uncertain, as the economy is still in a recovery phase and visitor numbers are volatile.

On many other measures, however, we enjoyed a year of progress. We secured federal and provincial funding in support of our infrastructure developments so we can keep moving forward with our long-term vision. Although upgrading our structural capabilities doesn't add directly to our visitors' experience, it's an important step in making sure we're well positioned to care for BC's extensive collections. We are grateful to our partners in government who have made this possible.

In 2009/10 we made strides in establishing sustainable sources of funding to further projects that aren't covered by our annual operating budget. We launched a major campaign to upgrade the fire suppression systems at Helmcken House and St Ann's Schoolhouse to ensure that these historically rich buildings are preserved for future generations of British Columbians. In addition, a donation from two of our long-time supporters, John and Joan Walton, and a matching donation from the Royal BC Museum Foundation, enabled us to introduce a fund to encourage innovation among our staff.

We are the keepers of the BC story, the voice that tells us who we are as a people, where we've come from and why we matter.

We reached yet another milestone last year, implementing the first of two phases of our collections management system. The system is now fully operational for staff; we'll roll out the public face of our collections management system in 2010/11. It's a critical step in being able to make the provincial collections accessible to the public, *wherever they are*, rather than necessitating a trip to our physical location.

Finally, we have taken an essential step in making our vision a reality – rezoning the Royal BC Museum site. In early 2010, the Royal BC Museum unveiled its 100-year plan for what it needs now and into the future. Our goal is to rezone the property to an appropriate designation that envisages all of our current uses, and allows development in the future. Planning for the coming years is a truly exciting process. We appreciate the ongoing support of the Province to fulfill our mandate and we encourage the entire community to champion our dream as we move forward in creating the Royal BC Museum of the future.

The 2009/10 Royal BC Museum Corporation Annual Report was prepared by the Chief Executive Officer (CEO) and staff under Board direction in accordance with the *Budget Transparency and Accountability Act* and the *BC Reporting Principles*. The Board, through its direction to the CEO and its review of this report, which includes reporting on performance measures and targets, is responsible for the report and has confidence in its financial and performance-based information. The information presented reflects a complete and accurate account of the actual performance of the Royal BC Museum for the year ended March 31, 2010 in relation to the September 2009 *Service Plan Update*. The measures presented are consistent with the Royal BC Museum mandate, goals and strategies, and focus on aspects critical to the organization's performance. All significant decisions, events and identified risks as of March 31, 2010 have been considered in preparing the report. The report contains estimates and interpretive information that represent the best judgment of management. Any changes in mandate, direction, goals, strategies, measures or targets made since the September 2009 *Service Plan Update* was released and any significant limitations in the reliability of data are identified in the report.

Donald Hayes
Chair, Board of Directors, Royal BC Museum Corporation

Pauline Rafferty
Chief Executive Officer, Royal BC Museum Corporation

Pauline Rafferty

ROYAL BC MUSEUM
Where the past lives.

Organizational Overview

Enabling Legislation

The Royal BC Museum is a Crown Corporation. Created in 2003 under the *Museum Act*, the Royal BC Museum is responsible for the provincial museum, the provincial archives, Helmcken House, Thunderbird Park, Mungo Martin Big House (Wawadit'ła), St Ann's Schoolhouse and the Netherlands Centennial Carillon.

Our Mandate and Core Business Areas

Under the *Museum Act*, the purposes of the Royal BC Museum Corporation are to:

- secure, receive and preserve specimens, artifacts and archival and other materials that illustrate the natural or human history of British Columbia
- hold and manage the archives of the government
- increase and communicate knowledge of the natural and human history of British Columbia through research, exhibits, publications and other means
- serve as an educational organization
- develop exhibits that are of interest to the public
- manage, conserve and provide access to the collection
- on the request of the government, manage cultural and heritage facilities designated by the government
- perform functions usually performed by a museum and archives.

Our Vision

A transformed Royal BC Museum will become British Columbia's leading cultural centre. Our vision calls for major initiatives on-site, off-site and online. We will become a landmark physical site and virtual environment for debate, reflection and knowledge. We will bridge cultures, engage generations, and positively impact the lives of all people who share a connection to BC.

In realizing this vision, we will further our reputation as one of the preeminent cultural museums and archives in the world, inspiring British Columbians and global visitors to share a passion for BC and what it means to be British Columbian. In doing so we will open minds and enrich lives.

Our Mission

To explore and preserve British Columbia's human history and natural history, to inspire curiosity and wonder, and to share our story with the world.

Our Goals

- support collections that are representative of the human history and natural history of BC
- be an organization that offers an exceptional standard of visitor welcome, hospitality and service
- be a sustainable, high-performing organization

Our Values

These fundamental beliefs and values guide the Royal BC Museum:

- **Visitor focused:** understanding our visitors' needs and placing them first
- **Excellence:** providing a high degree of interest by offering unique programs and services
- **Innovation:** embracing new ideas and processes to improve our services
- **Integrity:** in our work, our actions and our conduct
- **Responsible stewardship:** of the collections and information entrusted to our care.

***Treasures* Visitor Comment**

An ambitious project which probably took years of planning, transport and construction. For the viewer to absorb thousands of years of various global civilizations is mind boggling. I can imagine the full experience in the British Museum would take days to fully appreciate.

More than 30 columns, each measuring 2.75 metres in height, stood in the Treasures: The World's Cultures from the British Museum *gallery. To create the Greek façade, one of our exhibition art technicians built a machine that churned out 610 metres of foam architectural moulding.*

Why the Public Needs the Royal BC Museum

The work we do is important to all British Columbians, now and in the future. Not only are we stewards of the province's vast collection, we also share BC's natural history and human history through informative programs. Our teams of historians, archivists and scientists conduct internationally acclaimed research that broadens the public's understanding and appreciation of BC heritage. As the keeper – the only keeper – of British Columbia's cultural and environmental history, we take seriously our job of connecting the people of this province with the records of its past. In every way possible, we enable the public to access the collection, including our extensive archival records. We are an integral driver of tourism in British Columbia and the capital region. And we're continually looking ahead at how best to develop and preserve our collections for future generations – so the story of BC can be told for years to come.

***Treasures* Visitor Comment**

We are never disappointed with this museum. Your layouts are so supportive of the art! Thank you.

How We Deliver Services

We wear a lot of hats in our daily operations. Whether on-site, off-site or online, we deliver services in many ways:

- providing programs and exhibitions within the cultural precinct
- serving as a centre of expertise for researchers around the world
- developing and delivering school programs for use in local and remote locations
- enabling in-person and electronic access to our collections and archives
- publishing books, research papers and other informative documents
- delivering and supporting outreach programming
- connecting experts with the public through conferences, lunch-hour presentations and *Café Events*.

Our Partners

The Royal BC Museum seeks to be as relevant as possible to the public it serves. In doing so, we nurture a strong network of supporters and services including:

- federal, provincial and local governments
- local, regional and international businesses
- British Columbia First Nations groups
- community organizations, and cultural and heritage groups
- students and tourists
- employees, volunteers and Board members
- the Friends of the Royal BC Museum Foundation
- the Friends of the BC Archives.

Our Location

The Royal BC Museum is located at 675 Belleville Street, on Victoria's Inner Harbour. Our website is www.royalbcmuseum.bc.ca.

Repair of spalling concrete on the Netherlands Carillon Tower. September 2009.

S'abadeb Visitor Comment

Overpowering! Every piece of exhibit was totally necessary – have never felt so pulled on and carried away by the story. Thank you. – Ashland, WI

The economy operates in cycles. And because we understand this cyclical imperative, economic ups and downs are hardly surprising.

That's not to say that they're any easier to deal with. The recent economic downturn has disrupted the lives of many British Columbians. Workforces have been scaled back. Everybody's watching the bottom line.

Not exactly optimal conditions for growth and regeneration.

But the Royal BC Museum refuses to live up to the recession's expectations. Yes, it's been a hard year. We've been handed budget rollbacks. We've had to cut programs and positions. We've refocused on our core tasks and have set the above-and-beyond projects aside to live within our means. But we're in a business that's accustomed to taking a long view of things. In a year where we could have shrunk from the challenge, defeated by slumping tourism and resources stretched taut, we've managed to keep moving forward – toward achieving our long-term goals.

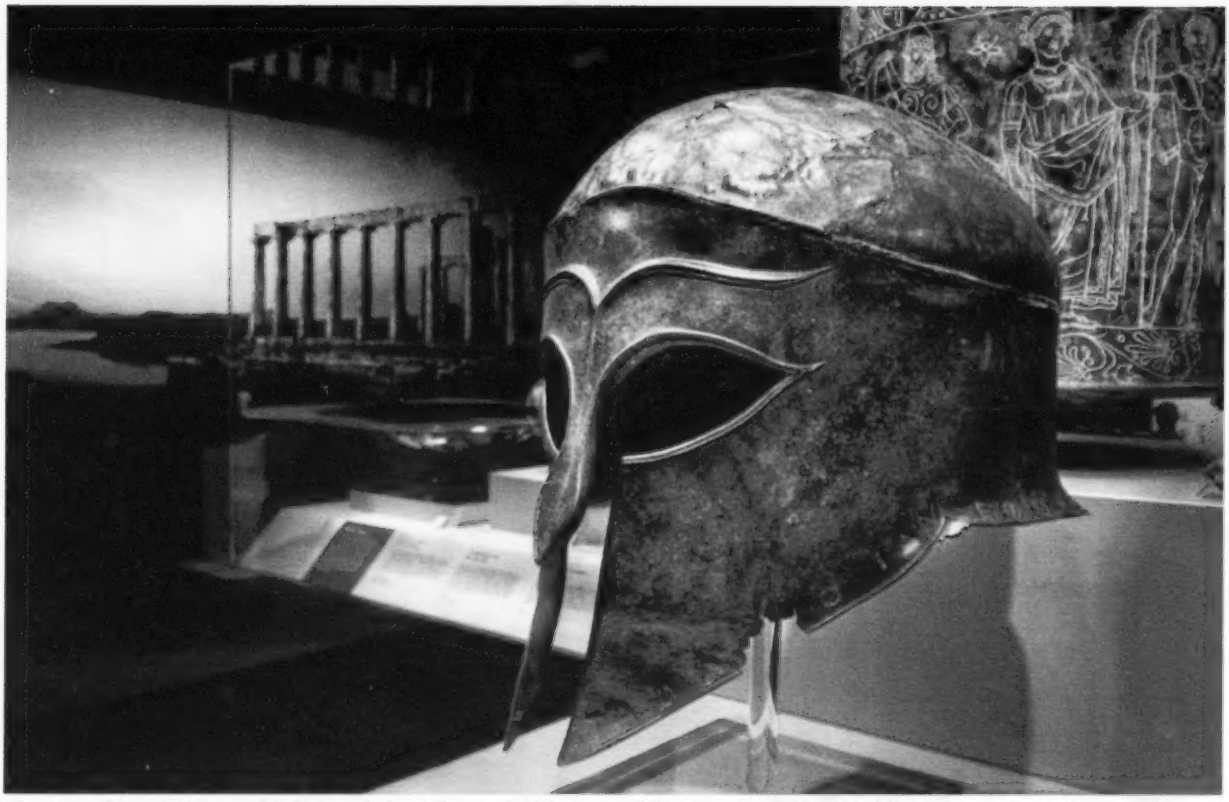
We created two new awards to honour and inspire our staff: an innovation award to encourage creative problem solving, and the CEO Awards, which allow us to recognize our employees' outstanding contributions to the functioning of the organization. We have started the process of rezoning our property so we can pursue our vision for the future. We are beginning to build upon the foundations for revitalization that we laid last year. We're heading off the demoralizing effects of the economic downturn by finding ways to empower our staff, and to keep us all moving in the same direction: forward. These are all meaningful accomplishments, and we're proud of them.

We, along with many other organizations, have faced significant challenges these past 12 months. But instead of turning inward, we've reached out. To connect, to collaborate, to communicate. We strengthened our relationship with regional First Nations through working out mutually agreeable custodial agreements with the Ktunaxa Nation, and by hosting a landmark exhibition of Coast Salish art and culture with respect, admiration and the recognition of formal protocol. We hosted several international exhibitions to great acclaim, proving our ability to hold our own on the world stage. We opened our arms to the world to host a breakfast for international media during the 2010 Olympic Winter Games torch relay. We ventured into the powerful and ever-changing world of social media so that we may reach more people with our stories. We inspired our staff and volunteers to imagine the possibilities as this organization looks forward to the next 100 years.

This drum was featured in the S'abadeb – The Gifts: Pacific Coast Salish Art and Artists *exhibition. It dates to the early 20th century and is from the southern Puget Sound area.*

***S'abadeb* Visitor Comment**

I am so impressed by the progressive nature of this exhibit as well as the participating nature between the museum and First Nations Groups. – Victoria, BC



The incised inscription on this bronze helmet from 460 BC (part of the Treasures: The World's Cultures from the British Museum *exhibition) is dedicated to Zeus.*

We're moving on. As long as we have research to do, collections to maintain and stories to tell, we will continue to find ways to achieve our vision. We're looking outward, developing new and innovative ways to reach out, to connect, to bring the BC story to a wider audience and to delight the world with a renewed Royal BC Museum.

We're More than a Museum

We're not just a place to store and display artifacts. We're so much more than that. And we proved it last year: when we added three more fine books to the complement of literature about our province; when we started the process of rezoning our property to accommodate multiple uses and future expansion; when we shared our incomparable *Birds of Prey* exhibition with the Fraser River Discovery Centre for a temporary exhibition; when we delighted groups of laughing, energetic children with our action-packed summer camps; and when we landed among the top employers in BC *and* Canada. And further:

- **We hold the entire provincial history in our keeping.** We are the custodian of all things BC – past, present and sometimes even future. You want to know about the cryptic language of hand fans? Curious about what fossil pollens can tell us about BC's changing climate? Need to know the northernmost range of Olympic Shrews in the 1980s? This is where you'll find the answers.

***Treasures* Visitor Comment**

Human beings in all their forms remain the same in essence throughout time. Their strengths and weaknesses are reflected in the objects they create. Also their fears and their passions. People leave footprints behind them for all time. What will be the footprint of our time?

This 2,300-year-old mummy of a mature woman is part of the Treasures: The World's Cultures from the British Museum *exhibition. X-rays show that the woman's hands are resting on her thighs.*

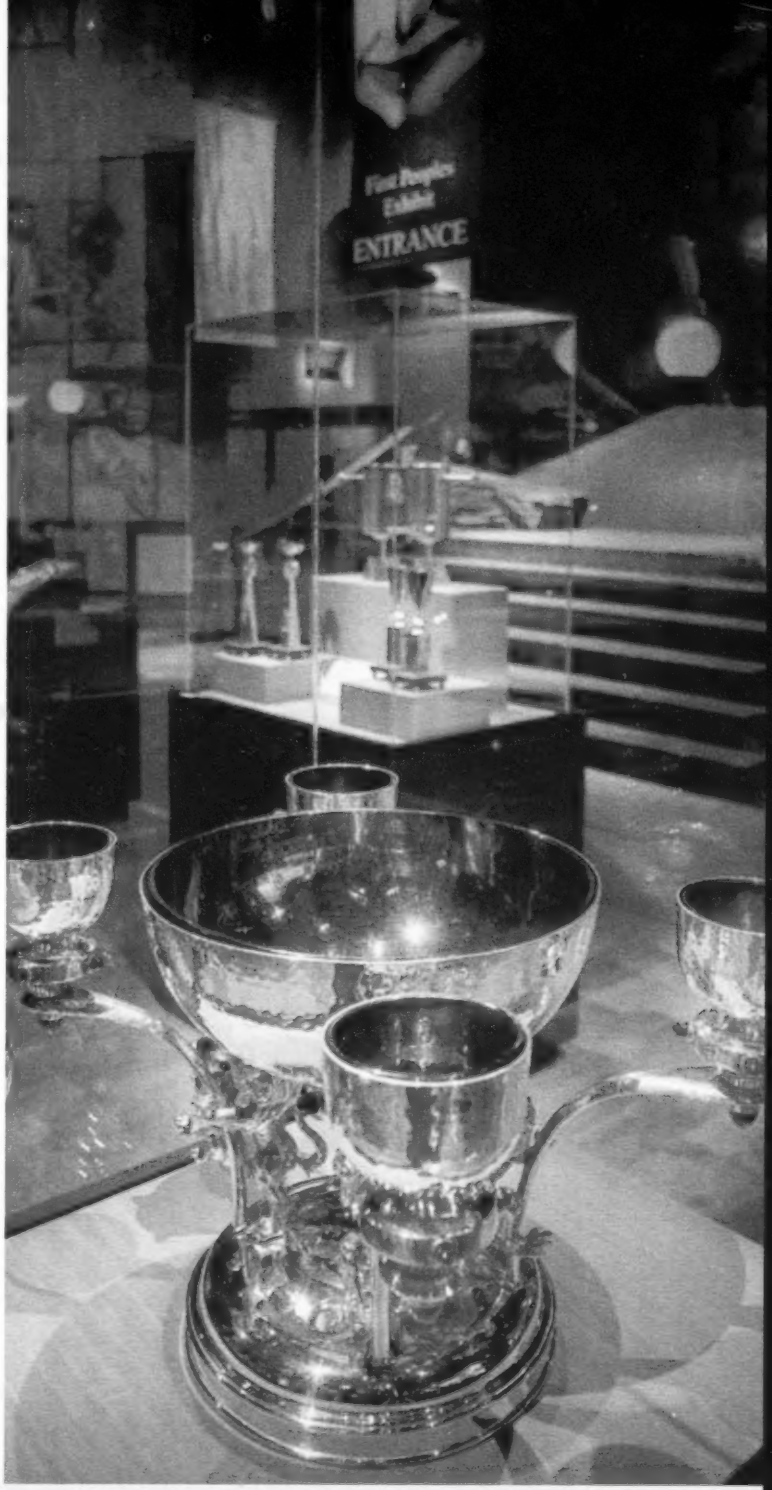
- **Our practices demonstrate leadership for other organizations**. We're still leading the way with our sustainable initiatives, our business practices and our commitment to the triple bottom line. With our every undertaking, we're considering the outcome not only in economic terms but also in how we give back to both the community and the environment through our actions. And did we mention we're a great place to work?
- **We facilitate connections between people**. We are a gathering place for the community. Our *Café Events* are a successful component of our major exhibitions, bringing together experts and members of the community for informal discussions about various topics. Our gallery rental program opens our facility to community groups, and builds partnerships with the local tourism community and businesses from all over the world. And, of course, there's our popular *Live@Lunch* program, where we gather experts, members of the public and museum staff for engaging, thought-provoking lunch-hour presentations.
- **We reach out to people**. Our people are out in the field, conducting research in communities across the province and creating meaningful connections through their work. Our dynamic and informative website continues to intrigue people the world over. Closer to home, last October we teamed up with

***Treasures* Visitor Comment**

How diverse the world of mankind is! So alike yet so different. There is beauty and talent in every culture!!!

Tourism Victoria to host media from around the world for breakfast and a museum tour before the Olympic torch relay. It was a chance for international media to experience the museum galleries, meet our CEO and discover more about the work we do as the provincial museum and archives. For one week in January, we welcome the local community with our popular Admission by Donation. We've introduced a membership program that offers unlimited admission and unique programs. It invites members to discover more about the Royal BC Museum and the stories of BC, as often as they like. And we continue to support the learning of more than 25,000 of BC's schoolchildren by ensuring they are able to visit our galleries at no charge. We are reaching out, connecting with our public in the ways *they* want to be reached: on-site, off-site and around the world online.

- **We actively safeguard British Columbia's history**. We seek grants and pursue research funding, and we fundraise and groom supportive relationships with the community, all in the name of continuing to be the best possible stewards of the provincial collections. Whether we're upgrading the building envelope, revamping the climate controls in one of the galleries or orchestrating our next big fundraising drive, it's all done with an eye to caring for the collections and advancing our understanding of all things BC.
- **We look to the future**. We've got plans. Big, exciting plans. *Visionary* plans. And we're doing the foundational work to get them underway. Talking to our visitors. Inviting their input. Pursuing new zoning. Staying abreast of advances in communications so that we can continue to offer relevant experiences. Always asking ourselves how we can better reach more British Columbians and forge stronger connections within the province and



Silversmith Nicola Williams created this lavish bowl and candlestick set for The Millennium Collection for Bute House *(part of the* Silver of the Stars *exhibition).*

***Silver of the Stars* Visitor Comment**
Spectacular exhibit – makes me even prouder of my Scottish heritage.

A crew of 15 carpenters, painters and artists spent more than five months building the structural components of the Treasures: The World's Cultures from the British Museum *gallery.*

around the world. Seeking new ways to engage people of all ages in a meaningful way – through our research, through debate, through dialogue and education, but most of all, by collaborating with them in their communities, and in our community.

Sharing the BC Story

We're deepening our connections with the wider community

Our role is to share BC's story with the world: the passionate and emotional stories of First Nations, of the hardworking pioneers who built our cities, of the diverse and abundant landscape around us, and all of us who leave our impact on our surroundings. It's our job to find, interpret and showcase the meaning of all the lives lived in this great province.

Treasures brought us international acclaim, as did *Silver of the Stars*. Both exhibitions saw us receive press coverage in other countries, especially the U.K. These articles brought the Royal BC Museum to the world's attention, widening our range and sharing our purpose with an international audience. We worked with local First Nations and nearby communities to host the first comprehensive exhibition showcasing Coast Salish art and culture at a time when the world's attention was focused on coastal British Columbia. And we were proud to take our place on the world stage during the 2010 Olympic and Paralympic Winter Games as the teller of the BC story.

***S'abadeb* Visitor Comment**

Amazing and stunning. Opens my heart and soul. – Smithers, BC

It's a story we're constantly looking for new and innovative ways to tell. This year saw us teaming up with a Victoria theatre company to plan a musical production about logging communities. The show will run in 2010, and may serve as a model for how we can take the BC story to more people in different parts of BC.

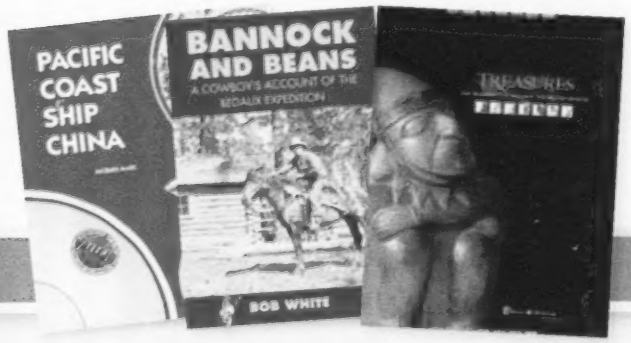
And finally, the launch of our social media initiatives cemented our commitment to getting ourselves out there on the world stage. Our new Facebook profile brings our stories, research and collections to more – and different – groups of people. It fosters sharing and discussion of these resources, and it increases awareness of who we are and what we do. And it's working. Just four weeks after its launch, our Facebook page had nearly 500 fans. In addition, we've created a YouTube video to share with the world the story of Theodore, a Steiff teddy bear made in 1908 who now lives in our Human History collections. (Curious? Have a look here: http://www.youtube.com/watch?v=uPEHWmioUD8). And that's just the beginning. Work is currently underway to launch the Royal BC Museum blog in 2010, authored by staff members from departments across the museum.

We're a Centre of Expertise

Our collections, rich in depth as well as breadth, are in constant demand. Our collections managers regularly box up sedges, dragonflies, fossils, items of clothing, and bird mounts to send across the world, where other experts will use them to further their own research. Our researchers are in demand, too, constantly collaborating with other scientists and historians as they piece together the story of this land.

- **We are a hub of research**. Our scientists, historians and archivists are constantly adding to the knowledge about the human history and natural history of BC. From curators who comb the beaches at low tide for new specimens for the gallery aquariums to exhibition arts technicians who scour the history books to find historically accurate patterns for late nineteenth-century canvas kitchen floorcloths, we're a centre of scientific and cultural excellence.
- **We're an international reference point for expertise**. Our curators, collections managers and research associates are world-class repositories of knowledge in their respective domains. Our entomologists, paleontologists, historians, archaeologists, zoologists, archivists, botanists and biologists field inquiries from researchers and laypeople the world over, and collaborate with other researchers in furthering our understanding of the geography and history of this part of the world.

This year, we began redrawing the blueprints for the documents that guide every aspect of our research and collections development. It's a momentous undertaking that demands collaboration from every single director, curator, collections manager and research associate on our team. Working together, we've established a robust framework that serves to guide all research activities undertaken by the Royal BC Museum. In turn, the research activities we undertake will increasingly inform and guide the way we develop, use and learn from our collections now and in the future. Best of all, the new plans will be publicly accessible on our website. A whole world of information and discovery is just a mouseclick away. It's an exciting project that will significantly extend our ability to bring the BC story to audiences across the province – and indeed, across the world.



Publishing

On the heels of our most successful year in publishing, we've had...an even better year! The quality and diversity of Royal BC Museum publications means our sales just keep growing – even through a recession. Pacific Coast Ship China *guides collectors, history buffs and divers in identifying nearly 300 china patterns from the days of coastal steamship travel. Forwarded and edited by award-winning author Jay Sherwood,* Bannock and Beans *is a fascinating first-person account of the lavish depression-era Bedaux expedition into the heart of British Columbia. And excitingly, the* Treasures *exhibition catalogue sold all 3,000 copies by the time the exhibition closed.*

Key Initiatives and Highlights of 2009/10

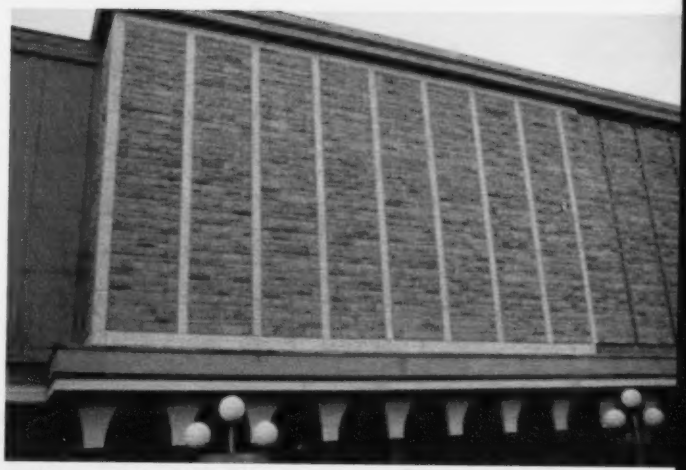
Operational Highlights

Providing Excellent Stewardship of the Provincial Collections

We did a lot of work this past year, laying the groundwork for much-needed upgrades to our facilities and infrastructure. It's exciting to see things falling into place as we pursue our vision for the future of the Royal BC Museum. We wish to convey our gratitude to the federal and provincial governments, the Friends of the Royal BC Museum Foundation and our donors for their support of our capital renewal projects.

Last year, we completed all modernization work on our elevators. Four elevators that hadn't been upgraded since the building first opened in 1967 were equipped with the most current computerized control system, new motors, new fixtures and code upgrades. We also replaced the aging marble cladding on the building's exterior with new marble veneer that is appropriate for use in seismically active areas. Work to repair some deteriorating concrete on the Netherlands Centennial Carillon was completed. We replaced the deteriorating floorcloth in Helmcken House with a historically accurate – and quite beautiful – canvas covering. We have begun making improvements to our outdated and overtaxed electrical systems. These upgrades are necessary for the preservation of the province's collections and archival records as well as the safety of our visitors, and will allow for future improvements on our property.

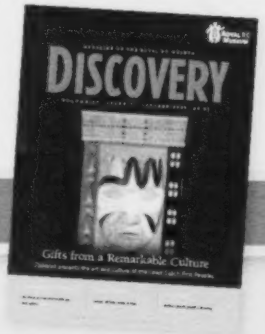
Last year, we finished Phase One of our heating, ventilating and air conditioning (HVAC) upgrades to our temporary exhibition gallery. We have secured funding and work is underway to begin Phase Two upgrades to the HVAC in our First Peoples Gallery. Our curatorial staff has begun the process of preparing the gallery for the upgrades, which will be ongoing for the next year. These climate control upgrades are critical for the Royal BC Museum to maintain our Category A designation that allows us to properly care for Canadian cultural property.



Building envelope remediation, Exhibition Building – replacement of original 42-year-old cladding with new marble Stone Lite panels.

Zoning and Sustainability: We're here for the long term

It has been a truly spectacular year in terms of planning for the future. Despite a weakened economy, our vision is strong and we're continuing along the path we embarked on last year. In the fourth quarter of 2009/10, we went public with our long-term plans for zoning the Royal BC Museum property. The project has been decades in the making, and it's immensely gratifying to see it take flight. Hours of planning have gone into creating a proposal for a Comprehensive Development Zone for the Royal BC Museum that supports our long-term vision. At present, the Royal BC Museum property is zoned R2, which means we could legally build a single-family duplex residence. Our current zoning doesn't even allow for all the uses that we've got on site. Clearly, this isn't practical for a museum and archives with a 100-year vision! Rezoning is a vital step in making our vision a reality. The process will take us at least another 12 to 18 months. But at the end of it, a new comprehensive zone with an expanded boundary – tailored to meet the needs of the Royal BC Museum over the next 100 years,



This year also saw the end of an era in Royal BC Museum publishing. In October 2009, we produced the final issue of our long-standing friend and guide to all things Royal BC Museum, Discovery. *We are proud of how deeply connected our members were to* Discovery *– and we're thrilled to introduce a cornerstone of our new membership program: an informative e-newsletter that helps to keep everyone in touch with all the great things that are happening at the museum and archives, without the carbon footprint.*

Our fifth annual Artifact or Artifiction *gala was the most successful ever, with more than 300 guests in attendance.*

will include uses to ensure economic viability and provide options for the growth of the museum and archives.

As the zoning of the property lays the foundation for the future, it also offers us the opportunity to showcase the organization's – indeed, British Columbia's – commitment to sustainability. We are making plans for precinct-wide energy management solutions, including energy capture from sewage treatment and hydrothermal capture from Victoria's Inner Harbour. We're looking at rainwater and stormwater retention, green roofs and walls, and solar energy capture. Deeply rooted in our vision, our zoning plans lay the groundwork for us to become a landmark physical site in a landmark location – and to further our reputation as one of the world's preeminent cultural institutions.

Guests at the 2009 Artifact or Artifiction, *reveal their answers to the 20 questions at the end of the evening. The gala, which centres on a game in which party goers match wits with curators, archivists and conservators will be held again in 2010 on October 7th.*

Dave Obee, Times Colonist op-ed writer: "The event of the season, at least for those who like history and love to dress up and drink champagne with like-minded souls, came last week. It was the annual fundraiser at the Royal BC Museum known as Artifact or Artifiction. *Once again, about 350 keen British Columbians got together to show their support for our provincial treasure – and while they were at it, match wits with staff members from the museum and archives."*

Development Highlights

We launched a $500,000 fundraising campaign in the fall of 2009 to secure funds to upgrade fire suppression measures in Helmcken House and St Ann's Schoolhouse. The community responded positively to this campaign to preserve these historically rich structures for future generations of British Columbians. Construction will begin in 2010 after all the funds have been raised. Our 2009 *Artifact or Artifiction* gala was the most successful to date, with net proceeds of $59,000 that will be directly applied to the fire suppression campaign.

We were successful in securing $4.3 million in funding in 2009/10 from the federal and provincial governments to support upgrades of our electrical and HVAC systems.

In the first quarter of 2009/10, we launched the John and Joan Walton Innovators Fund with the Waltons' generous gift of $150,000 plus a matching amount from the Friends of the Royal BC Museum Foundation. Throughout the year, staff can apply for project funds to support unique ideas that will move the organization further toward its vision. It's a way to empower staff to make a difference by figuring out creative approaches to the problems facing us as an organization. We awarded funding to two projects this year. One puts video equipment into the hands of staff to further the telling of our stories of BC while they are out in the field, and the other explores the possibility that certain species of ice age flora originated in BC and spread outward (see sidebar).

And, excitingly, 2009/10 saw the launch of our new membership program. After soliciting feedback from the community, we elected to combine the annual pass program and the Friends of the Royal BC Museum Foundation membership into a single high-value membership program. This initiative helps us build our base of community supporters while providing

Let the Innovation Begin!

Congratulations to Dr. Ken Marr, Curator of Botany, and Dr. Richard Hebda, Curator of Botany and Paleontology for being the first recipients of the John and Joan Walton Innovators Fund. Drs. Marr and Hebda were awarded $15,000 to further their investigation into the flora of British Columbia. "We were really pleased, as the committee, with the first award," says fund donor John Walton. "It could be a very significant project for the museum."

Marr and Hebda are working to solve the puzzle of how various plant species spread before and during the last Ice Age – and whether they radiated outward from BC to Eurasia rather than in the reverse direction, as has long been accepted. "This will give people a better sense of how the plants in BC fit into the greater picture in terms of our natural resources and how our life here relates to life in other parts of the globe," says Marr. With the funds, Marr and Hebda will travel to Central Asia to collect tissue samples for DNA analysis.

But the work has only just begun. "This is seed money that will help us leverage more funding to actually do the lab analysis," says Marr. "The more species we can study, the better the story will be."

Philanthropy

Philanthropy is changing the Royal BC Museum for the better. With a new Innovators Fund and other displays of community support, we are now bearing witness to the power these external groups have to influence the future of the organization. They're helping us to move in new and interesting directions – towards greater interactivity with the public we serve; towards an increased exchange of ideas; towards our vision of sharing the story of British Columbia in the most inspiring way we can.

an enhanced visitor experience. Not only do members receive unlimited year-round admission to our outstanding galleries and exhibitions with express entry privileges, they also receive access to unique programs and experiences as well as discounts on virtually all museum offerings. Our quarterly member e-newsletter keeps our visitors up to date on the latest special events, exhibitions, programs and research initiatives, and contributes to a sense of involvement with the Royal BC Museum.

The Friends of the Royal BC Museum Foundation, a registered charitable organization, supports the Royal BC Museum by managing the Royal Museum Shop and backing our fundraising initiatives. In addition to creating its own endowment to hold funds in perpetuity, the Foundation has the financial responsibility of managing philanthropic revenue in designated funds related to the Corporation's strategic priorities.

Visitor Experience Highlights

Renewed visitor experience is underway

We are making changes to support our renewed Visitor Experience Plan. The plan lays out our top priorities: to explore a new relationship with visitors; to rekindle our focus on BC; and to offer a renewed experience of the Royal BC Museum.

The creative wheels were turning all last year as we mapped out our upcoming *Royal BC Museum: Behind the Scenes* exhibition. Our planning for this project ensures it's not just an on-site exhibition – it's also happening on the web and through a physical touring component that will broaden our reach across BC. Through planning *Behind the Scenes*, we've begun the process of renewing our permanent galleries. Our curators are envisioning the new physical surroundings of the galleries, examining how up-to-the-moment research will feed the gallery storylines and inform their design. It's the first step in our plan to bring the legacy of BC closer to the public's view. It is the new Visitor Experience Plan at work.

The first group of summer campers for Camp Treasures.

We are re-imagining our school programs and crafting new approaches to connecting with our BC community. We've invested time and energy in creating mindful, interactive learning experiences within the exhibition spaces. We're going hands-on...and minds-on! We're asking our members for input. Helping us name our *Behind the Scenes* exhibition. Choosing a mascot. Trying out our ideas and telling us what they think. We're piloting program innovations like summer camps and our popular *Live@Lunch* sessions. It's all part of laying the foundation for an improved visitor experience in the years to come.

ROYAL BC MUSEUM
Behind the Scenes

An old-fashioned proposal

Boxing Day. Closing time. People drift out of the galleries, dreaming about the stories of this land. A young man proposes to his sweetheart on the steps of the hotel in Old Town, in the Modern History gallery. Museum security, tipped off about his plans, ensure the couple a few moments of privacy. It's a perfect arrangement for two people who have visited and loved the museum since childhood. Where better to embark upon a lifetime of love than from a place that holds such fond and familiar memories?

Exhibitions

With three travelling exhibitions, 2009/10 saw us broadening our connections and increasing our engagement with the international community. The recession and the resulting decline in tourism to BC and Victoria pushed our visitor numbers down, but those who came were impressed by our special exhibitions. Whether we're opening a window to the world on the BC story, or hosting world history in our galleries, the Royal BC Museum is proud to be a place for the community – from both near and far – to gather and learn.

Long awaited and painstakingly planned, *Treasures: The World's Cultures from the British Museum* was a beautiful, captivating exhibition that showed our public that the Royal BC Museum plays on the world stage. Indeed, upon seeing the exhibition for the first time, representatives from the British Museum praised it as one of the finest presentations of their collections that they had ever seen anywhere in the world.

And our visitors loved it. Extensive visitor surveys rated *Treasures* among the best of all the large-scale travelling exhibitions we've ever hosted. The most impressive features for our visitors were the layers of exploration within the exhibition – for the artifacts, the ideas and the exhibition itself. Our physical and virtual interactives, exhibition highlights tour, knowledgeable and engaging docents, *Café Events* and entertainment engaged a wide audience. And because of the interest *Treasures* generated in the community, we acquired dozens of new volunteers – many of whom have stayed on to do gallery animation.

S'abadeb – The Gifts: Pacific Coast Salish Art and Artists inspired and impressed our visitors. In partnership with the Seattle Art Museum, *S'abadeb* brought together more than 165 objects reflecting the arts and culture of Coast Salish nations in BC and Washington State. Many of the comments we received were from First Nations visitors and showed how deeply affected they were by the exhibition. Moving and informative, *S'abadeb* achieved a breadth of presentation never before witnessed among Coast Salish artists. As the host family for the exhibition, the Royal BC Museum was acknowledged by the Coast Salish peoples at the traditional opening ceremony for following protocol in sharing *S'abadeb* with the visiting public in a respectful manner that honoured the arts and culture of this diverse group.

The Legend of Octopus Point *by John Marston. Chemainus, 2007. Cedar, cedar bark, paint and shell. Private collection.*

The third and smallest of our travelling exhibitions, *Silver of the Stars*, was well received and generated much discussion. People were intrigued by the partnership between leading Scottish silversmiths and the Scottish

Corrections collection closes the circle, completes the story

When the BC Corrections Branch offered the Royal BC Museum five truckloads' worth of objects representing the history of corrections in BC, what else could we say but "Yes, please!" The well-organized collection includes inmate art like intricate dollhouses, folded paper boats and religious carvings. Other objects like team uniforms, sewing machines and even saddles from the work camps depict the day-to-day lives of people involved with the correctional system. This newest collection complements the Royal BC Museum holdings in law and justice, and rounds out the story of how BC's civil society has evolved through time.

celebrities who helped design the silverworks. Visitors were impressed by the artistry within the 10 different drinking vessels that comprised the exhibition.

We're planning for two more travelling exhibitions that are just around the corner. Early in 2010, we firmed up the details surrounding our 2011 hosting of *The Warrior Emperor and China's Terracotta Army* in collaboration with China and the Royal Ontario Museum. And we've begun preparations for *Race to the End of the Earth*, our exciting 2013 exhibition in partnership with the American Museum of Natural History that tells the story of Scott and Amundsen's heroic – and tragic – race for the South Pole.

Collections Highlights

It's a landmark occasion: our collections management system is up and fully operational! Two years of hard work across the organization have culminated in a single integrated collections management system. Specimens, artifacts, archives and the library – all the holdings for the entire Royal BC Museum – are finally accessible within a single integrated database. It's the first of its kind in Canada combining a museum and archives. Our collections management system will streamline research and the sharing of information across the institution and among the public. It's also an important component of making our collections available to a wider audience, so that people within and even beyond British Columbia's borders can explore the holdings of the Royal BC Museum. We're taking seriously our commitment to making our collections more accessible to the public.

We're also moving forward with cold storage solutions. After a thorough search, we've found the right people to help us craft a solution to our pressing concerns with regard to preserving priceless audiovisual and photographic records. Now that we've laid the groundwork, we'll turn our attention to getting our off-site cold storage solutions up and running.

As is often the case, the Royal BC Museum collections assisted numerous groups in compiling their own documentaries, projects and exhibitions. Red Storm Productions sought us out for more than 600 archival images to be featured in a one-hour documentary for TV broadcast entitled *The Edge of the World: BC's Early Years*. Cine Metu pulled on our photographs and artworks for use in a documentary film about Emily Carr that will be screened on Bravo and on the Knowledge Network. Canyon War Productions used our photographs in a Knowledge Network documentary called *Canyon War*. And in compiling a website about the history of Victoria, John Lutz at University

Charles Elliott (Coast Salish, Tsartlip). Mask, 1988. Salmon Face Moon. *Gift of Roland and Mimi Beaulieu*

Archivist blows the whistle on muzzling of Emily Carr

Hers is a household name across much of North America. But who knew that significant tracts of Emily Carr's Governor General's Award-winning book, Klee Wyck, *had been summarily axed following its first two printings? Carr was one of the first to call attention to the residential school fiasco in BC. But it turns out not everyone wanted that story to be told. After her death in 1945, every printing of Carr's work was abridged, scrubbed of words around that and other politically touchy subjects.*

of Victoria used our Victoria Fire Insurance Plans. This innovative project makes available hundreds of detailed maps of Victoria over time.

During the 2009 calendar year, we received 5,956 in-person visits to the BC Archives. Our access staff managed an additional 7,040 remote enquiries via mail, email and telephone. And a whopping 10,053 records were retrieved by our staff for consultation, including items, files and containers (we don't include self-serve microfilm or photographs in this number).

A New Custodial Agreement with the Ktunaxa Nation

Much of the important work we do is invisible to the public eye. In 2009, the Royal BC Museum and the Ktunaxa Nation Council negotiated a historic Custodial Agreement with respect to the Ktunaxa artifacts in the museum's collection. This is the second Custodial Agreement between the Royal BC Museum and a First Nation, and the first ever to be completed outside of a treaty situation. Building on existing policies, the agreement strengthens and facilitates the museum's commitment to cooperative custodianship and the Ktunaxa Nation's commitment to simultaneously sharing and preserving an important aspect of culture. By formalizing the museum's and the First Nation's responsibilities and requirements for the artifacts, the Custodial Agreement provides a structure for a dynamic and productive partnership, now and into the future.

A long time coming, but at last they're where they belong

Some oldies but goodies crossed our threshold last year. The first was a series of fossil remnants of an ancient amphibious sea mammal that inhabited the waters off BC about 25 million years ago. Greek for "hippopotamus-looking," and distantly related to elephants and manatees, Behemotops looked something like a cross between ... well, a hippopotamus and a grizzly bear, with a bit of horse thrown in. First discovered by campers on one of Vancouver Island's westernmost beaches, fossil remnants from this species have been found in coastal areas on both sides of the North Pacific.

The second exciting acquisition occurred when curiosity got the better of a retired police officer and he dialed us up with a question about the rock he'd been using as a paperweight for the last 15 years. Turns out it was a buchiid bivalve that had spent 120 million years buried in an ancient ocean about 200 kilometres northeast of Vancouver. Officer Ernie Clark had brought it home with him when he was patrolling for poachers on the Fraser River near Lytton in the 1990s. Good thing Clark decided to call on the experts: this species has never before been found so far inland. Royal BC Museum Curator of Earth History Richard Hebda says it adds another piece to the puzzle of BC's fossil record, which is poorly known. "This particular one is a key marker for the history of the Earth in western North America," says Hebda.

A third piece of the ancient BC puzzle came home to roost with the acquisition of a 50-million-year-old fossil bird. After having been discovered near Smithers in the late 1970s by a couple of German rockhounds, the fossil – which can't be identified because its head is missing – spent three decades in Europe. When Harvard-trained paleontologist Dr. Bruce Archibald stumbled upon a clipping about the discovery during a 2008 visit to Smithers, he knew the bird had to come home. Archibald tracked down the German couple – who were only too happy to help – and set the wheels in motion for the bird to be returned to its BC homeland. "Every new bird specimen is a major discovery, a new jewel for the collection," says Hebda.

And that's how it stayed, until Douglas & McIntyre contacted Royal BC Museum archivist Kathryn Bridge some years back to write an introduction to the re-release of Klee Wyck. *Last November, Bridge fascinated audiences in Victoria and at Missouri Southern State University with her revelation and discussion of the lost* Klee Wyck.

Awards and Accolades

We're fortunate to enjoy a talented, dedicated base of specialists who contribute in outstanding ways to the Royal BC Museum – and to the British Columbia community. In 2009/10 the Royal BC Museum, its staff and associates earned the following recognitions:

- We were voted 'best museum' and 'second-best tourist attraction' in Victoria News Group's 2009 Best of the City Awards. Thanks, Victoria!
- Our Curator of Entomology, Dr. Rob Cannings, received the Bruce Naylor Award in recognition of his exceptional contributions to the study of museum-based natural history in Canada. Dr. Cannings travelled to Parliament Hill to accept this prestigious award.

Last year, the Royal BC Museum hosted the Canadian premiere of S'abadeb – The Gifts: Pacific Coast Salish Art and Artists – *the first comprehensive exhibition of Coast Salish art ever to be presented.*

Jean Wilson and Joan Laharty received appreciation and 30-year service awards from Donald Hayes.

- One of our research associates in entomology, Dr. Art Borkent, was awarded the Westwood Medal, given biennially by the Natural History Museum, London and the Royal Entomological Society for the best comprehensive taxonomic work on a group of insects or related arthropods. The award is worldwide in scope, akin to the Nobel Prize of insect taxonomy.
- Our Director of Business and Operational Services, Angela Williams, was a finalist in the BC Hydro Power Smart Awards. She was recognized as a corporate leader in sustainability for showing an exceptional year-over-year commitment to energy efficiency and energy conservation.
- We received the distinction of being one of the Top 100 Employers in Canada for the second time for 2010. This is an outstanding achievement!
- We made Top 50 Employer in BC for the third year in a row, too!

So while 2009/10 presented us with significant financial challenges, it also saw us accomplishing and celebrating numerous important goals. We're keeping our eyes on the horizon, positioning ourselves for future growth in the better times that lay ahead.

Royal BC Museum home to McClung's musings

In 2009, nearly 60 years after her death, Nellie McClung was named an honorary Senator. So were the rest of the Famous Five. It's about time, we say. The Royal BC Museum is proud to hold the largest body of McClung's personal papers anywhere in the world. In 1933, McClung and her family moved to Victoria, where she continued her active political life. We acquired the personal papers of this Canadian legend in 1953, two years after her passing.

Corporate Governance

The Royal BC Museum Corporation (Royal BC Museum) is overseen by an 11-member Board of Directors that is appointed by the Province. Our Board of Directors is accountable to the Minister of Tourism, Culture and the Arts, and appoints a Chief Executive Officer to implement policies and achieve corporate goals. The Board oversees our business and CEO, who in turn is responsible for daily operations of the Royal BC Museum.

Donald Hayes
(Vancouver)
Chair

David McMillan
(Victoria)
Past Chair

Peter Gustavson
(Victoria)
Director

Graham S. Lee
(Vancouver)
Director

Kenneth Mahon
(Vancouver)
Director

Allison McNeill
(Kelowna)
Director

Anna Nyarady
(Vancouver)
Director

Barbara Rae
(Whistler)
Director

Bud Smith
(Kamloops)
Director

Neil Sterritt
(Hazelton)
Director

Margaret Vandenberg
(Vancouver)
Director

Bidding farewell to one of our founding board members

The Board gratefully acknowledges the contributions and support of David Stowe, one of our founding board members who passed away in September 2009 after a short battle with cancer. A Toronto native and UBC grad who loved to ski and golf, David spent almost 40 years with Scott Paper Ltd., retiring as corporate vice-president of Trade Relations in 1996. He joined the Board of Directors for the Royal BC Museum in 2003. David later went on to chair our Fund Development Committee, where he took an active leadership role in helping us with our fundraising efforts.

David believed in us and in the need for a provincial museum and archives to serve all British Columbians. David and his wife Mary-Anne were members of our Presidents Circle. After his passing, donations were made in his honour to the Friends of the Royal BC Museum Foundation at his family's request. These gifts are just another example of David's leadership and how his legacy continues.

David Stowe
1932 - 2009

ROYAL BC MUSEUM
Where the past lives.

The Board adheres to these principles in its operation:

- Leadership and stewardship of the role of the Board as determined by legislation.
- Clarity of roles and responsibilities.
- Trust and transparency in all Board discussions and in the operation of the Royal BC Museum.
- Service and corporate citizenship.
- Objective analysis of given material to make the best decisions.
- Accountability and performance.
- Continuous improvement in Royal BC Museum business operations and in Board functioning.

Board Committees

Finance and Audit

- **Purpose**: Ensuring that our financial and accounting policies conform to the *Museum Act* and all other applicable legislation, and that our financial reporting systems meet the needs of the Board and the Royal BC Museum.
- **Members**: Peter Gustavson (Chair); David McMillan; Anna Nyarady; ex-officio members: Donald Hayes; Pauline Rafferty (CEO)
- **Staff**: Faye Zinck (Chief Financial Officer)

Strategic Fund Development

- **Purpose**: Participating in strategic fund development activities that support the implementation of the fundraising plan.
- **Members**: Barbara Rae (Chair); Robert Peterson (President of the Friends of the Royal BC Museum Foundation); David Stowe; Margaret Vandenberg; ex-officio members: Donald Hayes; Pauline Rafferty (CEO)
- **Staff**: Diane Lloyd (Director, Development)

Governance and Nominating

- **Purpose**: Overseeing the Board's nominating and governance activities, establishing criteria for Board membership; pre-screening and recommending candidates; managing Board orientations and evaluations; and maintaining documentation. Manages corporate governance and monitors Board effectiveness.
- **Members**: Neil Sterritt (Chair); Allison McNeill; David McMillan; ex-officio members: Donald Hayes; Pauline Rafferty (CEO)

Site Development

- **Purpose**: This is a limited-term "special purpose" committee that advises the Board on Royal BC Museum site renewal, overseeing and establishing policies for management of Royal BC Museum land and property.
- **Members**: Ken Mahon (Chair); Murray Farmer; Graham Lee; David McMillan; Anna Nyarady; ex-officio members: Donald Hayes; Pauline Rafferty (CEO)
- **Staff**: Angela Williams (Director, Business and Operational Services)

The Royal BC Museum Board of Directors acts in accordance with the *Best Practices Guidelines: BC Governance and Disclosure Guidelines for Governing Boards of Public Sector Organizations*, which can be found at http://www.fin.gov.bc.ca/brdo/governance/corporateguidelines.pdf. Detailed information about our Board of Directors can be found at http://www.royalbcmuseum.bc.ca/about_RBCM/Directors.aspx.

Senior Management Team

Pauline Rafferty – Chief Executive Officer
Diane Lloyd – Director, Development
Theresa Mackay – Director, Marketing and Communications
Gary Mitchell – Director, Collections, Research and Access Services
Angela Williams – Director, Business and Operational Services
Tim Willis – Director, Exhibitions and Visitor Experience
Faye Zinck – Chief Financial Officer and Chief Information Officer

***S'abadeb* Visitor Comment**

Breathtaking – informative and so West Coast. Thank you – the best of the RBCM to date.

To fulfill our mandate and achieve our vision, the Royal BC Museum has established three key goals:

1. Support collections that are representative of the human and natural history of BC;
2. Be an organization that offers an exceptional standard of visitor welcome, hospitality and service; and
3. Be a sustainable, high-performing organization.

For each goal, strategies and performance measures were established in the *2009/10 to 2011/12 Service Plan Update*. The results for 2009/10 are shown below compared to 2007/08 and 2008/09 results and to 2009/10 targets.

Benchmark Comparisons

To date, we have not found comparable benchmarks for the Royal BC Museum for our stated performance measures. We are unique in that we are not just a museum and not just archives – we're both. Thus, no comparable data exist from which to draw comparisons. However, the processes we use to manage risks to the collection meet the best practices of major museums and archives in Canada. Each institution adopts unique solutions, since each has a specialized collection and inherent challenges. We will continue to examine benchmarks set by other museums and archives in Canada in the interests of comparing our performance.

GOAL 1	STRATEGIES					
Support collections that are representative of the human and natural history of BC	**1.1** Advance management of collections by implementing solutions to address highest risks in order to protect the longevity of the collections **1.2** Generate new information using collections-based research in order to reveal the unique BC story					
PERFORMANCE MEASURES	**Actual 2007/08**	**Actual 2008/09**	**Target 2009/10**	**Actual 2009/10**	**Target 2010/11**	**Target 2011/12**
PM.1 Collection risk management index	82%	84%	86%	86%	88%	89%
PM.2 Number of publications	50	46	50	39	52	55

Importance of the Performance Measures

PM.1 The collection management risk index indicates how much of the collection is housed adequately according to international standards; thus it is a measurement of how we are performing our stewardship role for the provincial collections (i.e. how well we are protecting and preserving the provincial museum and provincial archives collections).

PM.2 The number of publications illustrates how, through our vibrant collections-based research program, we are continually adding to our understanding of biodiversity, human diversity and the interrelationships between people and nature in British Columbia. Our ongoing research contributes to the wellbeing of the entire province – culturally, academically, environmentally and economically.

Performance Analysis

PM.1 Recent activities in cool and cold storage preparation helped us to achieve our collection risk management index target of 86%. A risk assessment review will be undertaken in 2010/11 to confirm progress and to redefine future targets.

PM.2 The targeted number of publications was lower than expected due largely to the amount of curatorial staff time dedicated to the creation and implementation of the upcoming *Behind the Scenes* exhibition and the restoration of Helmcken House and St Ann's Schoolhouse, as well as the absence of a natural science curator. With staff reductions, publication targets for future years will need to be reviewed.

Data Sources for Performance Measures

PM.1 The collection risk management index is the percentage of the total number of units in the collection (artifacts, archives and specimens) that are being stored adequately according to international standards. The initial risk assessment was conducted through 2004 and 2005 and targets were set with increases of 2% per year. Achievements are calculated by the number of items housed in proper storage divided by the total number of items needing storage. The assessment is based on current knowledge and professional judgment. We cannot say with certainty that we have identified all critical gaps.

PM.2 This measure is based on the actual number of titles published or in progress of publication from April 1, 2009 to March 31, 2010. (Titles in progress of publication were submitted by the author to the publishing agency prior to March 31, 2010. Publishing priorities and scheduling influence the exact date of publication release, factors outside the control of the author and the Royal BC Museum.) We emphasize publishing in peer-reviewed publications. This data is reliable and verifiable by direct inspection.

***S'abadeb* Visitor Comment**

The best history display of this land and ocean's rich heritage. More exciting than visiting the Louvre. – Ladysmith, BC

GOAL 2	STRATEGIES					
Be an organization that offers an exceptional standard of visitor welcome, hospitality and service	**2.1** Create an experience that engages and encourages visitors to explore the BC story in order to enrich people's lives					
PERFORMANCE MEASURES	**Actual 2007/08**	**Actual 2008/09**	**Target 2009/10**	**Actual 2009/10**	**Target 2010/11**	**Target 2011/12**
PM.3 Visitor volume on-site	0.54 million (M) visitors	0.30 M	0.45 M	0.40 M	0.47 M	0.50 M
Visitor volume online	4.3 M page views to websites	15.8 M	16.0[1] M	16.28 M	16.5 M	17.0 M
PM.4 % of people using our services who report they are satisfied and have an increased understanding of the BC story	85%	94%[2]	90%	Non survey year	91%	92%

Importance of the Performance Measures

PM.3 Visitor volume on-site and online is fundamental in assessing our success in attracting visitors.

PM.4 This measures our ability to provide a welcoming environment, and shows our success in increasing visitor understanding – key to building long-term relationships and repeat visits.

Performance Analysis

PM.3 The targeted number of on-site visitors was lower than expected, due largely to the *Treasures* exhibition. We commissioned a report that examined the factors that led to its underperformance, indicating that while the *Treasures* exhibition received high marks by those attending, the subject matter was not compelling enough to attract the mainstream audience and was difficult to communicate, especially during a recession that saw fewer visitors in Victoria and BC.

Online page views for Royal BC Museum websites increased again this year. This can be attributed to the ongoing increase in Internet usage by the public as well as online marketing strategies employed for *Treasures*, *S'abadeb* and our membership program launch.

PM.4 In 2009/10, available research dollars were spent on a *Treasures* visitor satisfaction survey, pricing audit and evaluation, and pricing strategy for 2010-2013.

Data Sources for Performance Measures

PM.3 The data for PM.3 is collected by our entrance procedures and website statistics for the period April 1, 2009 to March 31, 2010. This data is tightly controlled and is reliable.

PM.4 Non survey year.

[1] The target for 2009/10 has been restated from the original 4.5 M in the *2009/10 – 2011/12 Service Plan* to be consistent with the actual online visitation achieved in 2008/09.

[2] This methodology for visitor satisfaction changed in 2008/09 from previous years so cannot be directly compared to previous measures.

GOAL 3	STRATEGIES					
Be a sustainable, high-performing organization	**3.1** Diversify and increase revenue sources in order to achieve our mission **3.2** Create a highly motivated workforce in order to achieve excellence in fulfilling our mission **3.3** Establish relationships and invite partnerships in order to attain a broad base of community support **3.4** Be responsible managers of our property and infrastructure by focusing on prevention in order to reduce risks and environmental impact					
PERFORMANCE MEASURES	**Actual 2007/08**	**Actual 2008/09**	**Target 2009/10**	**Actual 2009/10**	**Target 2010/11**	**Target 2011/12**
PM.5 Revenue earned from operations	$13.3 M	$7.9 M	$8.5 M	$7.48 M	$6.6 M	$6.8 M
PM.6 % of staff reporting they are satisfied or very satisfied	82%	Non survey year	85%	89%	Non survey year	88%
Rating out of 5	4.2		4.4	4.4		4.6
PM.7 Community support through in-kind goods and services, volunteer support, donations and sponsorships	Volunteer hours: 47,148	42,000	47,000	40,000	42,000	42,000
	In-kind media: $1.0 M	$1.14 M	$1.4 M	$1.42 M	$1.0 M	$1.1 M
	Donations: $150,000	$233,882	$300,000	$327,830	$500,000	$600,000
	Sponsorship: $100,000	$480,753	$750,000	$498,125	$500,000	$600,000

Importance of the Performance Measures

PM.5 Revenue earned from operations indicates our progress in diversifying our revenue base and achieving greater financial self-sufficiency. For the Royal BC Museum, complete self-sufficiency is not a viable target, as several of our most significant activities – such as maintaining the provincial archives or preserving natural history specimens – while vital to the public good, do not generate revenue.

PM.6 The Royal BC Museum provides superior economic and scholarly leadership in the province and around the world. We want to employ staff who are highly engaged, motivated and committed to bringing our vision to fruition. The Royal BC Museum regularly monitors and revises programs to ensure staff members have the resources they need; the Corporation also documents the steps taken to address any issues raised by employees.

***Silver of the Stars* Visitor Comment**

What a privilege to see this handsome and spectacular exhibit. Scotland's talent forever!

PM.7 To achieve our goals, we need support from all sides: our volunteers, our community and our donors. PM.7 examines the general level of support for the Royal BC Museum throughout the province, with a special focus on Victoria and the Lower Mainland. The measure provides a snapshot of the level of volunteering at the Royal BC Museum, and of the support we have from the business community. It is also a good predictor of our ability to attract and retain volunteers and generate revenue through sponsorships and donations.

Performance Analysis

PM.5 The economic downturn and slump in tourism to British Columbia and Victoria had a major impact on our revenue. Attendance was lower than forecast with admission revenue that was $1.02 million less than forecast. Coupled with a reduced operating grant from the province, this made for a challenging year. We took prompt action to develop strategies to mitigate the reduction in revenue, by making changes in staffing and cutting back on expenditures. We reviewed our pricing model for future years with a view to maximizing revenues. We also established a new, streamlined membership program in the fall of 2009 to assist in stabilizing our revenue.

PM.6 The Royal BC Museum was one of BC's Top 50 Employers for the third consecutive year and we were among Canada's Top 100 Employers for the second time in 2010.

PM.7 The number of volunteer hours was lower than the target as fewer volunteers were required in the galleries. This was due to the number of on-site visitors in 2009/10 being lower than expected (see PM.3).

In-kind media support came in on target in 2009/10 as a result of forward planning. We strategically combined all of our media purchases for the entire year to give us greater leverage in achieving in-kind media support.

Donations to the Royal BC Museum from both financial donors and collections donors continued to grow in 2009/10 despite a challenging economic climate. The number of financial donors increased by 25% in 2009/10, although the average donation amount decreased by $10.00.

Sponsorship revenues did not meet targets due to a challenging economy, the pulling back of corporations throughout British Columbia, and a strategic decision to refrain from selling multiple sponsorships for the *S'abadeb* exhibition.

Data Sources for Performance Measures

PM.5 The data for PM.5 is drawn from the Royal BC Museum financial system for the period April 1, 2009 to March 31, 2010 and is reliable.

PM.6 An Employee Engagement Survey has been fielded since 2004 and takes place every second year, with 2009/10 being a survey year. The Royal BC Museum regularly monitors and revises programs to ensure staff members have the resources they need.

PM.7 Volunteer hours were tracked for the period April 1, 2009 to March 31, 2010. Financial support data are tracked through databases consistent with the standards of professional fundraising organizations and the Royal BC Museum financial system for the period April 1, 2009 to March 31, 2010.

Progress Against Shareholder's Letter of Expectations

Below are the specific directions outlined in the Shareholder's Letter of Expectations and the Royal BC Museum Corporation's actions in fiscal 2009/10. Further details about our specific accomplishments are in *Year in Review*.

Specific Direction	RBCM Actions in 2009/10
To operate the business of the Corporation including maintaining collections and archives of the government, managing the building complex and driving revenue.	• We continued to operate and maintain the museum and archives with a view to the future that increases our relevance to the people of British Columbia and in turn increases our revenue. • Ongoing food service, retail, and royalty agreements with the National Geographic IMAX Theatre and Willie's Bakery (operators of the Museum Café and Royale kiosk), enhanced our financial position and provided services to our visitors. • We implemented a new annual membership program to assist in stabilizing our revenue. • We went to the public with our long-term plans for zoning the Royal BC Museum property. We presented a proposal to create a comprehensive development zone that includes existing and proposed uses. This proposed comprehensive development zone ensures our economic viability and provides options for growth of the museum and archives. • Phase One of our electronic collections management system was completed, making the holdings of the entire Royal BC Museum accessible to staff within a single integrated database. This lays the foundation for implementation of Phase Two in 2010/11 and will make the millions of items in the provincial collections and holdings accessible to anyone, anywhere, at any time over the web. • We moved forward on cold storage solutions to preserve delicate artifacts and records, both on-site and off-site. • We continued to acquire thousands of artifacts, specimens, and archival records relating to BC's ancient and recent history while 23 items were deaccessioned. (See Appendix A for details.) • We modernized four elevators that had not been upgraded since 1967, replaced the marble cladding on our building's exterior, completed the repair of some deteriorating concrete on the Netherlands Centennial Carillon and began making improvements to our outdated and overtaxed electrical systems. • We continued to implement climate control upgrades to our HVAC systems that are critical to the Royal BC Museum maintaining our Category A designation that allows us to properly care for Canadian cultural property. • As a premier tourist attraction in Victoria, we continued to work with our partners in the tourism industry to maximize our collective marketing reach to bring visitors to Victoria and to the museum.

***S'abadeb* Visitor Comment**

Absolutely beautiful! So proud of our peoples. – Westbank First Nation, Kelowna BC

Specific Direction	RBCM Actions in 2009/10
	• We welcomed 400,000 visitors at the Royal BC Museum. Online page views for Royal BC Museum websites totaled 16.3 million. We received 5,956 in-person visits at the BC Archives. Access staff responded to 7,040 enquiries via mail, email and telephone, and retrieved 10,053 records for consultation (this number does not include self-serve microfilm or photographs). • We presented three temporary exhibitions including *Treasures: The World's Cultures from the British Museum*; *S'abadeb – The Gifts: Pacific Coast Salish Art and Artists*; and *Silver of the Stars*. • We planned and designed our upcoming *Royal BC Museum: Behind the Scenes* exhibition; fabrication commenced in December 2009. The exhibition will open June 25, 2010 and will run until fall 2011.
To ensure that annual expenditures do not exceed annual revenues.	The recession and slump in tourism to BC and Victoria negatively impacted visitation to our galleries and exhibitions, resulting in lower-than-forecast revenues and a net loss of $0.36 million. We moved promptly to reduce expenses, including reductions in operating hours and staffing levels to mitigate the effect of fewer visitors. Revenue $19.649 million Expenses $20.006 million Net Loss $ (.357) million
To implement a sustainable fundraising program that includes philanthropic giving, sponsorships, grants and corporate partnerships.	• We launched our new high-value membership program to help build our base of community supporters while providing an enhanced visitor experience. Members enjoy unlimited admission, express entry, special members-only programs, and discounts on almost all museum offerings. • Our fall fundraising campaign raised $303,000 towards the upgrade of fire suppression measures in Helmcken House and St Ann's Schoolhouse. • *Artifact or Artifiction*, our annual fundraising event, was the most successful to date with net proceeds of $59,000 that will be applied to the fire suppression campaign. • Financial support from all sources, including grants, sponsorships and individual donations exceeded $4.14 million in 2009/10.
To provide leadership to the museum and archives community in British Columbia through sharing of expertise and knowledge as well as supporting community initiatives through the loan of collections materials.	We continued to be: • a leader for the museum and archive community in BC and Canada (through numerous symposia, our popular *Café Events*, and by our Director of Exhibitions and Visitor Experience serving on the BC Museums Association Council) • an international reference point for expertise and information (with scientists from Ireland, Scotland, U.S., Germany, Russia, Chile, and Japan accessing our collections)

***S'abadeb* Visitor Comment**

I am proud to be part of the show as an Artist and as Salish. – Sechelt Nation, BC

Specific Direction	RBCM Actions in 2009/10
	• a business leader (we were designated as one of Canada's Top 100 Employers for the second time for 2010 and one of BC's Top 50 Employers for the third year in a row) • a community leader through our involvement with the BC Museums Association, the Canadian Museums Association and the Association of Canadian Archivists.
In support of good communication, the Board will provide opportunities to engage the Minister of Tourism, Culture and the Arts in dialogue throughout the year.	The Board Chair and Vice Chair meet regularly with the Minister to ensure open lines of communication. We invite the Minister to speak at Royal BC Museum press announcements and exhibition openings, and we engage the Minister and key staff through special presentations, behind the scenes tours and events related to our feature exhibitions. On an annual basis, the Chair and CEO provide a letter to the Minster outlining how the Board, through the CEO and the staff, has achieved results relative to the specific direction in the Shareholder's Letter of Expectations.
To comply with the Shareholder's requirements to make the Public Sector carbon neutral by 2010.	We are committed to acting responsibly in the purchase, use and disposal of energy or materials that have an impact on the environment. Specific examples: • Building on the major lighting and HVAC system retrofit commenced last year, our work to stabilize our climate controls and improve energy efficiency continued with securing funding and preparing for Phase Two upgrades to the HVAC systems in our First Peoples Gallery. • Our new zoning plans, unveiled in early 2010, demonstrate our commitment to sustainability with precinct-wide energy management solutions that include: energy capture from sewage treatment and hydrothermal capture from Victoria's Inner Harbour; rainwater and stormwater retention; green roofs and walls; and solar energy capture. • We began purchasing 100% recycled paper for our printers and copiers, and purchased and installed a recycling centre in our staff room. • We installed virtual servers on all our desktop computers to reduce energy use. We also purchased and installed software to shut down all computers at night. • The marble cladding from our building envelope was taken to a landscaping yard to be used as fill. • Our recycling program stopped 898 kg of shredded paper, 318 cubic metres of cardboard and 57 cubic metres of organic waste from entering the landfill. • Our exhibitions are designed with sustainability in mind – reusing or recycling building materials.

***S'abadeb* Visitor Comment**

Interesting and informative exhibition which has expanded my knowledge, understanding and appreciation of the culture of the Coast Salish peoples. – Devon, UK

Specific Direction	RBCM Actions in 2009/10
To encourage staff involvement in developing ideas and new solutions to meet government's climate change objectives.	• We launched the John and Joan Walton Innovators Fund, which encourages our staff to find creative approaches to the challenges facing the organization, including innovative approaches to sustainability. • Our Sustainability Committee meets regularly to review, develop and implement green practices organization-wide, including a recycling program that annually diverts 33 tonnes of glass, metal, paper and wood waste from the landfill. • BC Hydro recognized our Director of Business Operations, Angela Williams, as a corporate leader in sustainability for showing an exceptional year-over-year commitment to energy efficiency and energy conservation. • Our Property Management and Operations Department's newsletter includes BC Hydro Power Smart tips on how to conserve energy at work and at home. • In partnership with BC Hydro and CRD Water Services, we hosted "lunch and learn" sessions for staff about energy and water conservation. • We encouraged staff to bike, walk and carpool to work (and many did).
To support the Shareholder's Healthier Choices Initiative.	• There are no vending machines at the Royal BC Museum.

The Shareholder's Letter of Expectation can be found at
http://www.royalbcmuseum.bc.ca/Reports_Policy/Shrhldrs_Ltr.aspx

Financial Report

(Audited)

March 31, 2010

Management's Report

The financial statements of the Royal British Columbia Museum Corporation have been prepared by management in accordance with Canadian generally accepted accounting principles, and the integrity and objectivity of the data in these financial statements are management's responsibility. Financial information presented elsewhere in the Annual Report is consistent with that in the financial statements.

Management is also responsible for the safeguarding of financial and operating systems, which include effective controls to provide reasonable assurance that the Corporation's assets are safeguarded and that reliable financial information is produced.

The Board of Directors is responsible for ensuring that management fulfils its responsibilities for financial reporting and internal control. The Board exercises its responsibilities through the Finance and Audit Committee. The Finance and Audit Committee meets regularly with management and the external auditors have full and free access to the Committee. The Board of Directors, whose members are not involved in the day-to-day activities of the Corporation, are responsible for the review and approval of the financial statements.

Hayes Stewart Little & Co. has audited the financial statements in accordance with Canadian generally accepted auditing standards.

Sincerely,

Pauline Rafferty
Chief Executive Officer

Faye Zinck
Chief Financial Officer

Victoria, BC
May 10, 2010

Auditor's Report

To the Board of Directors of the Royal British Columbia Museum Corporation

We have audited the statement of financial position of the Royal British Columbia Museum Corporation as at March 31, 2010 and the statements of operations and net assets and cash flows for the year then ended. These financial statements are the responsibility of the Corporation's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Corporation as at March 31, 2010 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Hayes Stewart Little & Co.

Chartered Accountants

Victoria, BC
May 10, 2010

STATEMENT OF FINANCIAL POSITION

As at March 31, 2010

	2010	2009
ASSETS		
Current		
Cash and investments (Note 3)	$ 1,290,663	$ 2,136,611
Accounts receivable	3,466,533	921,120
Prepaid	66,644	51,636
Deferred exhibition costs (Note 2(d))	91,777	968,966
	4,915,617	4,078,333
Capital assets, net (Notes 2(e), 6)	21,387,766	17,210,464
	$ 26,303,383	$ 21,288,797
LIABILITIES AND NET ASSETS		
Current		
Accounts payable and accrued liabilities	$ 3,579,239	$ 2,132,509
Leave liability	419,447	449,150
Deferred revenue (Note 7)	703,683	524,169
	4,702,369	3,105,828
Deferred capital contributions (Note 8)	8,862,565	5,087,724
	13,564,934	8,193,552
Net assets	12,738,449	13,095,245
	$ 26,303,383	$ 21,288,797

Commitments (Note 14)

ON BEHALF OF THE BOARD

Director

Director

Statement of Operations and Net Assets

For the Year Ended March 31, 2010

	2010	2009
REVENUES		
Province of British Columbia operating contributions	$ 12,166,000	$ 12,648,000
Museum admission fees	5,158,621	3,103,776
Other income (Note 9)	1,775,704	4,148,620
Amortization of deferred capital contributions (Note 8)	449,367	392,791
Gifts in kind – donated collections and artifacts (Note 2(f))	99,538	268,107
	19,649,230	20,561,294
EXPENSES		
Salaries and benefits (Note 2(h))	9,198,429	9,059,792
Special exhibitions (Note 10)	2,888,040	2,213,878
Building costs	2,019,936	2,145,270
Amortization	1,103,947	964,354
Security	918,543	925,525
Taxes, City of Victoria	741,086	695,800
Systems and telecommunications	719,361	799,882
Professional service contracts	546,521	931,810
Materials and supplies	406,683	617,989
Archival records storage	389,273	374,545
Marketing and communications	292,340	454,688
Office	268,833	320,103
Insurance	178,705	186,382
Collections and artifacts (Note 2(f))	99,538	268,107
Travel	94,684	173,346
Bank charges	80,971	56,063
Donations (Note 11)	59,136	350,000
	20,006,026	20,537,534
(DEFICIENCY) Excess of Revenues Over Expenses	**(356,796)**	**23,760**
NET ASSETS, beginning of year	13,095,245	13,071,485
NET ASSETS, end of year	$ 12,738,449	$ 13,095,245

Statement of Cash Flows

For the Year Ended March 31, 2010

	2010	2009
OPERATING ACTIVITIES		
Cash received from the Province of British Columbia	$ 12,166,000	$ 12,648,000
Cash received from admissions	5,259,507	3,113,275
Cash received from other income	1,864,407	2,087,813
Cash paid for donations	(59,136)	(350,000)
Cash paid for salaries and benefits	(8,543,587)	(9,467,833)
Cash paid for building costs, taxes and security	(3,545,818)	(3,825,384)
Cash paid for materials and services	(3,146,347)	(4,352,853)
Cash paid for exhibitions	(2,010,851)	(1,931,871)
Cash provided from (used for) operating activities	1,984,175	(2,078,853)
INVESTING ACTIVITIES		
Purchase of capital assets	(4,498,842)	(2,990,571)
Cash received for purchase of capital assets	1,668,719	1,926,288
Cash used for investing activities	(2,830,123)	(1,064,283)
NET DECREASE IN CASH	(845,948)	(3,143,136)
Cash and investments, beginning of year	2,136,611	5,279,747
Cash and investments, end of year	$ 1,290,663	$ 2,136,611

Notes to Financial Statements

For the Year Ended March 31, 2010

1. NATURE OF OPERATIONS

The Royal British Columbia Museum Corporation (the "Corporation") is a Crown Corporation of the Province of British Columbia without share capital, incorporated on April 1, 2003 under the *Museum Act*. The Corporation is a tax-exempt body under Section 149(1)(d) of the *Income Tax Act*.

The purpose of the Corporation is to fulfill the Government's fiduciary responsibilities for public trusteeship of the Provincial collections and exhibitions, including specimens, artifacts, archival and other materials that illustrate the natural and human history of British Columbia. The Corporation is dedicated specifically to the preservation of, and education about, the human and natural history of British Columbia. The collection is preserved for future generations of British Columbians.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with Canadian generally accepted accounting principles applied within the framework of the significant accounting policies summarized below:

(a) Cash and investments

Cash includes all investments, short and long term, because they are part of a portfolio of identified financial instruments which are managed together. Unrealized gains and losses are included in net income in the period they arise. The Corporation has used the quoted market price to value the investments at the balance sheet date.

(b) Financial instruments

The Corporation's financial instruments consist of cash and investments, accounts receivable, and accounts payable and accrued liabilities. Cash and investments and accounts payable and accrued liabilities are designated as held for trading and recorded at fair value. Accounts receivables are designated as loans and receivables and recorded at amortized cost. The Corporation does not believe there is significant credit risk as 91% of accounts receivable are due from major funding providers. The fair value of these assets approximates their carrying value due to the short term nature of these financial instruments. Unless otherwise noted, it is management's opinion that the Corporation is not exposed to significant interest rate, currency or credit risks arising from these financial instruments. The fair value of investments is disclosed in note 3.

(c) Revenue recognition

The Corporation follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Capital assets contributed and externally restricted contributions for the purchase of capital assets are deferred and amortized over the life of the related capital asset. Unamortized deferred capital contributions relating to capital asset dispositions are recognized as revenue in the period of disposal, provided that all restrictions have been complied with.

Government grants are accounted for as unrestricted contributions or externally restricted contributions in accordance with the terms of funding.

Admission revenue is recognized on the date the service is provided.

Other revenue consists of restricted grants which are recognized as revenue in the year in which the related expenses are incurred and royalties, investment and rental revenues which are recognized when earned.

(d) Deferred exhibition costs

Costs of exhibitions are deferred until the exhibitions are opened to the public and then are expensed over the period of the exhibitions to which they relate.

For the Year Ended March 31, 2010

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) Capital assets

Purchased capital assets are reported at acquisition cost. Amortization is provided on a straight-line basis over the estimated useful lives of the assets as follows:

• Buildings and improvements	up to 40 years
• Permanent exhibitions	10 years
• Operating equipment	5 years
• Computer hardware and software	3 years
• Vehicles	3 years
• Furniture	5 years

(f) Collections

The value of collections (artifacts, specimens, and documents) is not reported on the Statement of Financial Position. Donated collections are recorded as revenue estimated at the fair market value of the gift based on appraisals by independent appraisers. The acquisition of both donated and purchased collections is expensed.

(g) Volunteers

During the year, volunteers contributed approximately 40,000 (2009: 42,000) hours in support of the Corporation. Their activities include guided gallery tours and a variety of programs that enrich the visitor's experience at the Corporation and its profile in the community. Due to the complexities involved in valuing these services, they have not been reflected in the financial statements.

(h) Employee benefit plans

The Corporation and its employees contribute to the Public Service Pension Plan in accordance with the *Public Sector Pension Plans Act*. The Plan is a multi-employer, defined benefit plan, to which the Corporation applies defined contribution plan accounting. The plan is administered by the British Columbia Pension Corporation, including payment of pension benefits to employees to whom the Act applies, and the Corporation does not have sufficient information to apply defined benefit plan accounting. Under joint trusteeship, the risk and reward associated with the Plan's unfunded liability or surplus is shared between the employers and the plan members and will be reflected in their future contributions. Every three years an actuarial valuation is performed to assess the financial position of the plan and the adequacy of plan funding. The most recent actuarial valuation (March 31, 2008) has determined the Plan has a surplus of $487 million. The employer contribution rate to the Plan for the fiscal year ended March 31, 2010 was increased to 8.78% (2009: 8.63%) of the pensionable salary up to the year's maximum pensionable earnings of $46,300 (2009: $43,700) and to 10.28% (2009: 10.13%) of pensionable salary in excess of the year's maximum pensionable earnings. The next valuation will be as at March 31, 2011 with results available in 2012.

The Corporation also annually contributes through the Provincial Government payroll benefit plan for specific termination benefits and employee benefits as provided for under collective agreements and conditions of employment. The benefit charge back rate that the Corporation pays through the Provincial Government is 24.15% (2009 – 23.83%). Costs of future benefits are recognized as an expense in the year that contributions are paid.

(i) Use of estimates

In preparing the Corporation's financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenue and expenses during the period. This includes and is not limited to the useful lives of capital assets.

For the Year Ended March 31, 2010

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) Adoption of new accounting policies

Effective April 1, 2009 the Corporation implemented new changes to Handbook Sections 4400, *Financial Statement Presentation by Not-for-Profit Organizations* and 4470, *Disclosure Regarding Allocated Expenses by Not-for-Profit Organizations*. The changes remove the requirement to disclose net assets invested in capital assets, require the disclosure of allocated fundraising and general support expenses by not-for-profit organizations, and include the requirement to follow Handbook Section 1540, *Cash Flow Statements*. The changes to these standards have not materially impacted the Corporation financial statements.

During the Corporation's 2010 fiscal year, the CICA announced that not-for-profit organizations could elect to continue to apply Handbook Section 3861, *Financial Instruments – Disclosure and Presentation* in place of Handbook Sections 3862, *Financial Instruments – Disclosure* and 3863, *Financial Instruments – Presentation*. Sections 3862 and 3863 place increased emphasis on disclosures about the nature and extent of risks arising from financial instruments and how the entity manages those risks. The Corporation has elected to continue to apply the financial instrument disclosure and presentation standards in accordance with Section 3861.

(k) Future accounting changes

No new accounting standards have been issued by the CICA that will have a significant impact on the Corporation's financial statements in future years.

3. CASH AND INVESTMENTS

As at March 31, 2010, the Corporation had $225,845 in a money market fund (2009: $1,208,537) with an annual yield of 0.19% (2009: 3.93%).

In accordance with Section 3855 *Financial Instruments – Recognition and Measurement* of the CICA Handbook, the Corporation has classified its investments as held-for-trading and is reporting them at fair value. All investments are publicly traded and accounted for at the fair market values based on quoted prices at year end.

Investment income includes interest and dividends earned and realized gains and losses net of investment expenses incurred during the year. Investment transaction costs are expensed as incurred.

Short term investments consist of fixed income Canadian dollar denominated securities with a maturity of one year or less.

4. CAPITAL DISCLOSURE

The Corporation's capital management objectives are to ensure adequate funds are available for operations and capital projects through prudent investment and cash flow management techniques. To facilitate the management of capital, the Corporation prepares annual budgets which are updated monthly. The Corporation's capital structure includes cash and investments, capital assets and deferred capital contributions. The Corporation manages its capital structure and makes adjustments when economic conditions change.

The Corporation continually evaluates available sources of funds to finance its capital expenditures in order to meet capital objectives. The capital structure of the Corporation is not subject to external restrictions; however, the capital contributions received by the Corporation are allocated to specific projects as determined by the external funders based on their unique economic priorities.

For the Year Ended March 31, 2010

5. COLLECTIONS

As at March 31, 2010, the collections consisted of approximately 7.2 million artifacts, specimens and archival records (2009: 7.2 million). During the year, the Corporation deaccessioned 23 objects (2009: 35) and accessioned 236 objects (2009: 22,639) to its collections through the acquisition, purchase and accessioning process. The collections are valued at $190 million for insurance purposes.

6. CAPITAL ASSETS

	Cost	Accumulated Amortization	2010	2009
Land	$ 12,278,339	$ -	$ 12,278,339	$ 12,278,339
Permanent exhibitions	1,654,337	876,568	777,769	945,666
Operating equipment	339,188	125,566	213,622	239,270
Computer hardware and software	1,336,204	698,226	637,978	676,231
Vehicles	24,664	16,100	8,564	12,675
Furniture	65,358	32,208	33,150	29,966
Buildings and improvements	4,746,468	1,074,424	3,672,044	2,593,230
Work in progress	3,766,300	-	3,766,300	435,087
	$ 24,210,858	$ 2,823,092	$ 21,387,766	$ 17,210,464

During the year fully amortized capital assets with an original cost of approximately $2,500,000 were removed from service.

7. DEFERRED REVENUE

Included in deferred revenue are funds related to donations for restricted operating projects, future gallery rentals, advance admission sales, annual passes, memberships and unredeemed gift cards.

	2010	2009
Restricted	$ 442,241	$ 322,349
Unrestricted	261,442	201,820
	$ 703,683	$ 524,169

8. DEFERRED CAPITAL CONTRIBUTIONS

Deferred capital contributions represent unamortized externally restricted contributions which have been used to purchase capital assets. These contributions will be recognized as revenue in future periods as the related capital assets are amortized.

	2010	2009
Balance, beginning of year	$ 5,087,724	$ 1,743,606
Grants for the purchase of capital assets		
Provincial government	2,837,728	252,607
Federal government	1,359,365	709,705
Other	27,115	2,774,597
Amortized to revenue	(449,367)	(392,791)
Balance, end of year	$ 8,862,565	$ 5,087,724

For the Year Ended March 31, 2010

9. OTHER INCOME

	2010	2009
Province of British Columbia, special exhibition project contribution	$ -	$ 2,100,000
Grants, contributions, royalties and commissions	880,679	1,086,993
Miscellaneous	895,025	961,627
	$ 1,775,704	$ 4,148,620

10. SPECIAL EXHIBITIONS

The Corporation hosts temporary exhibitions to provide a window on the world and encourage repeat visitation. In fiscal year 2010 these included: *Treasures: The World's Cultures from the British Museum*, *S'abadeb – The Gifts: Pacific Coast Salish Art and Artists* and *Silver of the Stars*. In fiscal year 2009 these included: *Free Spirit: Stories of You, Me and BC* and *War Brides*. Costs of exhibitions are those additional costs which are directly incurred to host the exhibition.

	2010	2009
Salaries and benefits	$ 195,020	$ 633,106
Professional service contracts *(includes exhibit fees)*	1,532,826	362,783
Marketing and communications	794,783	572,967
Materials and supplies	82,036	564,940
Office	283,375	80,082
	$ 2,888,040	$ 2,213,878

11. DONATIONS

In 2009/10 a contribution of $59,136 (2008/09: $350,000) was made to the Friends of the Royal British Columbia Museum Foundation to assist the Foundation in funding future museum and archives projects at the Corporation. The contribution is part of a long-standing economic partnership with the Foundation to assist and support provincial museum initiatives and projects through attracting federal and other foundation monies.

12. RELATED PARTY TRANSACTIONS

The Corporation is related through common ownership to all Province of British Columbia Ministries, Agencies and Crown Corporations. The Corporation also has transactions with the Friends of the Royal British Columbia Museum Foundation (Note 13). Transactions with these entities are considered to be in the normal course of operations and are recorded at the exchange amounts.

13. FRIENDS OF THE ROYAL BRITISH COLUMBIA MUSEUM FOUNDATION

The Corporation has an economic interest in the Friends of the Royal British Columbia Museum Foundation (the "Foundation"). The accounts of the Foundation are presented separately and are not consolidated in these financial statements. The Foundation was incorporated to build membership and to coordinate other support activities on behalf of the Corporation. The principal activities of the Foundation are operation of the Royal Museum Shop, the collection of donations, bequests, endowments and supporting projects undertaken by the Corporation.

The Foundation has internally restricted funds of approximately $3,600,000 (2009 - $2,700,000), which are reserved for specific projects for transfer to the Corporation in future years.

13. FRIENDS OF THE ROYAL BRITISH COLUMBIA MUSEUM FOUNDATION (continued)

During the year, the following amounts were paid by the Foundation to the Corporation:

	2010	2009
Funding for non-capital projects	$ 28,120	$ 11,770
Funding for capital projects	-	1,000,000
Gift shop royalties	91,830	-
Purchases of goods and services	149,657	114,202
	$ 269,607	$ 1,125,972

As of March 31, 2010, $22,234 is due from the Foundation to the Corporation and is included in the accounts receivable balance (2009: $21,777).

During the year, the following amounts were paid by the Corporation to the Foundation:

	2010	2009
Unrestricted donation to the Foundation (Note 11)	$ 59,136	$ 350,000
Transfer of restricted donations	41,538	18,032
Purchases of goods and services	17,521	10,534
	$ 118,195	$ 378,566

As of March 31, 2010, $4,345 is due from the Corporation to the Foundation and is included in the accounts payable balance (2009: $ -).

14. COMMITMENTS

Operating Agreement

The Corporation has committed to a Theatre Operating Agreement for the operation of a large screen motion picture theatre at the Corporation. Under the terms of the Agreement, the Corporation will be paid a royalty from the theatre including certain negotiated adjustments, plus specific amounts for additional operating costs. The term of the Agreement is 30 years and expires June 24, 2028.

Heating and Cooling Contract

The Corporation has entered into a three-year service agreement for the provision of steam, chilled water and natural gas services expiring March 31, 2012. Under the terms of the agreement, the Corporation will pay for services as consumed.

Property Management Contract

The Corporation has entered into a five-year service agreement for the provision of building management and maintenance services expiring March 31, 2015. Under the terms of the agreement, the Corporation will pay a management fee as follows:

2011	$ 90,000
2012	92,000
2013	94,554
2014	96,445
2015	98,374
Total	$ 471,373

Additionally, the Corporation will pay for direct maintenance costs as incurred by the contractor.

Exhibition Loan Fees

The Corporation has a commitment to disburse $450,000 to the American Museum of Natural History and $317,000 to the Royal Ontario Museum related to the loan of artifacts and objects. Future anticipated payments are as follows:

2011	$ 201,800
2012	290,200
2013	275,000
Total	$ 767,000

14. COMMITMENTS (continued)

Capital Projects

The Corporation has entered into agreements with various contractors to complete capital asset improvement projects with remaining costs of approximately $4.5M. These projects will be completed by March 31, 2011 and are substantially funded by the federal and provinical governments.

Lease Commitments

The Corporation has a five-year operating lease to rent warehouse space to store oversize artifacts which expires on April 30, 2015. The Corporation also leases operating equipment. Future minimum payments are as follows:

	Warehouse	Equipment
2011	$ 162,512	$ 12,469
2012	166,560	7,880
2013	166,560	1,512
2014	166,560	-
2015	166,560	-
Total	$ 828,752	$ 21,861

15. SUBSEQUENT EVENT

Subsequent to year end, the Corporation purchased City of Victoria Lot 1269 which encompasses the Glenshiel Seniors Residence and surrounding parking lots from the Provincial Rental Housing Corporation (PRHC) at a cost of approximately $100,000.

The Glenshiel building has been leased to the PRHC for a term of 52 years terminating August 1, 2062 for a total rental cost of $10.00 for the term.

Should any of the following events occur prior to August 1, 2062, the Corporation is obligated to pay the PRHC the residual value of the density of the property, which is estimated at $1,836,000:

- Termination of the lease by the Corporation; or
- Construction in excess of $5 million by the Corporation on any part of the property outside the leased premises.

The Corporation has the option to pay the residual value prior to March 31, 2012 at its discretion.

Management Discussion and Analysis

The Royal BC Museum is committed to sustaining a strong financial and operational foundation for the delivery of quality museum and archival services. The Royal BC Museum builds accountability into its operational planning and reporting. We promote a culture that fosters excellence in best practices for continued improvement. The Royal BC Museum is accountable to our Shareholder, the Province of British Columbia, and to all British Columbians in implementing our mandate.

In 2009/10, we hosted three travelling exhibitions at an expense of $2.89 million. In order to recover these costs, we raised the admission price during *Treasures*, as we have done for previous major travelling exhibitions. However, the economic downturn and slump in tourism to British Columbia and Victoria had a major impact on our revenue. Attendance was lower than forecast with admission revenue that was $1.02 million less than forecast. Coupled with a reduced operating grant from the province, this made for a challenging year. We took prompt action to develop strategies to mitigate the reduction in revenue, by making changes in staffing and cutting back on expenditures. The result was a net loss for the year of $0.36 million. We reviewed our pricing model for future years with a view to maximizing revenues. We also established a new, streamlined membership program in the fall of 2009 to assist in stabilizing our revenue.

Royal BC Museum Operations ($ millions)	Actual 2005-06	Actual 2006-07	Actual 2007-08	Actual 2008-09	Actual 2009-10	Budget 2009-10	Variance 2009-10	Forecast 2010-11	Forecast 2011-12	Forecast 2012-13
Revenue										
Province of British Columbia operating contributions	12.11	15.27	12.47	12.65	12.17	12.17	0.00	12.17	12.17	12.17
Museum admission fees	3.04	3.60	9.74	3.10	5.15	4.96	0.19	3.09	4.12	3.91
Other income	2.32	1.51	2.55	4.15	1.78	2.07	(0.29)	2.08	2.10	2.12
Recognition of deferred capital contributions	0.65	0.36	0.42	0.39	0.45	0.52	(0.07)	0.60	0.65	0.65
Gifts in kind - donated collections and artifacts	0.03	0.08	0.64	0.27	0.10	0.00	0.10	0.00	0.00	0.00
Total Revenue	18.14	20.82	25.82	20.56	19.65	19.72	(0.07)	17.93	19.05	18.84
Expenses										
Salaries and benefits	7.83	8.16	9.01	9.06	9.19	9.30	0.11	9.30	9.30	9.30
Donations	0.00	3.00	2.50	0.35	0.06	0.00	(0.06)	0.00	0.00	0.00
Building costs	4.51	2.07	2.61	2.15	2.02	2.13	0.11	2.15	2.17	2.19
Taxes - City of Victoria	1.11	0.91	0.97	0.70	0.74	0.74	0.00	0.75	0.76	0.77
Security	0.90	0.89	0.94	0.93	0.92	0.89	(0.03)	0.90	0.91	0.92
Special exhibitions	0.26	1.09	4.49	2.21	2.89	3.06	0.17	0.00	1.00	0.75
Other operating costs	3.20	3.39	4.40	4.18	3.08	2.91	(0.18)	3.32	3.36	3.40
Amortization	1.07	0.76	0.88	0.96	1.10	1.19	0.09	1.40	1.47	1.44
Total Expenses	18.88	20.27	25.80	20.54	20.00	20.21	0.21	17.82	18.97	18.77
Net Income (Loss)	(0.74)	0.55	0.01	0.02	(0.36)	(0.49)	0.13	0.12	0.08	0.07
Retained Earnings	12.51	13.06	13.07	13.10	12.74	12.60	(0.14)	12.73	12.81	12.88
Capital Expenditures	11.72	1.0	1.24	2.64	5.28	5.76	0.48	6.42	0.50	0.51
Debt	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

The above financial information, including forecast information, was prepared based on current Canadian generally accepted accounting principles.

Statement of Financial Position

Cash and short-term investments decreased by $0.85 million, as funds were expended on capital projects, such as: replacing the exterior marble cladding; implementing our collections management application; upgrading the electrical systems; and upgrading the temperature and humidity controls in the First Peoples Gallery. In 2009/10, $5.2 million ($2.6 million in 2008/09) were invested in new capital assets. Of these capital projects, 10% was funded by Royal BC Museum while the remaining 90% was funded through external sources.

Deferred revenue includes funding received for designated projects. This is recognized when the project is completed. Membership fees are recognized over the term of the membership.

Deferred capital contributions increased due to additional capital funding received from third parties. In 2009/10, those third parties included the Province of British Columbia and the Government of Canada.

Statement of Operations

Our operating budget was reduced by the Province in 2009/10. This reduction occurred at the same time our admission revenues were in a decline. These events prompted us to conduct a review of operations which included examining the relevance and performance of all activities and spending. Through this review, we were able to make decisions to mitigate this loss in funding for future years. The outcome was a long-term reduction in operating expenditures of $0.63 million per year starting in 2010/11 while sustaining a $0.36 million net loss in 2009/10.

Revenue

Last year, 62% of Royal BC Museum operations and activities was funded by the annual contribution from the Province of British Columbia. Among other activities, this contribution helps to ensure the best possible stewardship of the collections of British Columbia.

During 2009/10, admission fees represented 26% of total revenue (15% 2008/09). Admission fees fluctuate from year to year depending on the special exhibition being hosted. At times, fees are increased to offset exhibition costs. The increase in admission revenue over the previous year is due to the hosting of travelling exhibitions during the 2009/10 year. Although our admission revenue increased, it still was $1.02 million lower than originally forecast for these exhibitions.

The Corporation makes every effort to maximize its revenue resources through its business operations. 38% of operations in 2009/10 (39% in 2008/09) were supported by this revenue.

Expenses

Total expenses in 2009/10 were $20.0 million, comparable to $20.5 million in 2008/09.

Salaries & benefits – The Royal BC Museum workforce consists largely of highly skilled full-time and part-time employees. Salaries in 2009/10 were comparable to those in previous years. In 2009/10, Royal BC Museum operations were supported by a large and dedicated group of volunteers who offered approximately 40,000 hours of service.

Building costs – The Royal BC Museum continues to upgrade its facilities and complete deferred maintenance projects. Building costs were slightly lower in 2009/10 than the previous year, at $2.0 million. Expenses include hydro, water, gas, facility cleaning costs, warehouse leasing, and preventive maintenance.

Taxes to the City of Victoria – In 2009/10 the grants in lieu of taxation increased by 6%. Grants in lieu are based on the assessed value of the land and buildings.

Other operating costs include a wide range of functions that impact all areas including: care and management of the collections, insurance, security, travel, bank charges, program and exhibition management, human resources, volunteer resources, information systems, marketing and communications, general office supplies and professional services. These costs decreased slightly in 2009/10 due to an overall decline in Royal BC Museum revenue; as revenue decreased, operating monies were reduced in a corresponding manner.

Exhibition costs – Expenses were higher in 2009/10 than in 2008/09 due to hosting three travelling exhibitions: *Treasures: The World's Cultures from the British Museum*, *S'abadeb – The Gifts: Pacific Coast Salish Art and Artists*, and *Silver of the Stars*.

Amortization reflects planned capital investment in permanent exhibitions, operating equipment, and information technology hardware and software purchases.

Donations – Funds raised at our annual *Artifact or Artifiction* fundraising event and donations received through the Box Office were provided to the Foundation to be used for funding future museum projects.

Capital

This past year, the Royal BC Museum was the recipient of grant funding from the provincial and federal governments for capital projects. Work got underway on major capital improvement projects, including: replacement of the marble façade on the exterior of our buildings; major upgrades to the electrical infrastructure system; and a vital upgrade to the heating, ventilation and air-conditioning (HVAC) units in the First Peoples Gallery. Having proper climate controls in the galleries helps us retain our Category A designation, in essence meaning the Royal BC Museum can ensure responsible stewardship of the artifacts entrusted to its care. Work also continues on a new collection management application, which will provide the public with increased access to the collections.

Partners

The Royal BC Museum enjoys a long-standing partnership with the Friends of the Royal BC Museum Foundation. The Foundation operates the Royal Museum Shop, supports projects undertaken by the Royal BC Museum, and collects donations, bequests and endowments. Formal endowment programs have been established through the Foundation in support of the development and care of the Royal BC Museum collections. The Foundation holds $0.6 million in an endowment fund and a further $3.3 million in restricted funds for specific projects. The Vancouver Foundation holds $0.01 million while the Victoria Foundation holds $2.1 million in endowment funds and $0.3 million in a fund to encourage innovation on the part of Royal BC Museum staff.

The Royal BC Museum partners with and receives royalties from the owners and operators of the National Geographic IMAX Theatre, Destination Cinema Incorporated (DCI). This mutually beneficial agreement between DCI and the Royal BC Museum is for a 30-year period and expires in 2028.

The Friends of the British Columbia Archives is an incorporated, not-for-profit organization managed by a Board of Directors elected from its membership. Its purpose is to support and foster awareness of the BC Archives.

Food service and retail agreements enhance our financial position and provide services to our visitors. Willie's Bakery operates both the Museum Café and the Café Royale kiosk in the courtyard of the Royal BC Museum cultural precinct.

Risks and Uncertainties

Like other Canadian cultural institutions and organizations, the Royal BC Museum faces issues as outlined in the *2010/11 - 2012/13 Service Plan*. Royal BC Museum attendance is influenced by global trends in tourism and fluctuates when we host temporary exhibitions. Museums across North America are grappling with an ever more competitive environment for cultural entertainment dollars. Due to a tempered outlook for the economy in the coming years, the Royal BC Museum remains cautious in projecting revenues generated from admissions. In order to broaden the Royal BC Museum visitor base – and thereby increase revenues – the galleries need to be revitalized and the visitor experience brought into closer alignment with the public's increasingly sophisticated expectations of what a museum and archives should be.

It is difficult to offset operating cost increases by earned revenue increases alone. The collections will continue to develop in size and significance, which will increase costs for care and management. If visitor levels are further depressed, our ability to fulfill our mandate may be jeopardized. The Royal BC Museum must earn greater than $6.0 million in annual revenue, in addition to its provincial operating grant, to meet essential operating budget requirements of $18.1 million. Earned revenue from new sources is not increasing at the same rate as operating costs, and this places a strain on available resources.

The Royal BC Museum workforce is aging, leading to a potential shortage of professionals. Over the past two years 5% of Royal BC Museum staff retired; in the next five years, 47% of our staff will be eligible to retire. Ensuring significant time for knowledge transfer is critical. An investment in employee training and development is being made in order to lessen future recruitment and replacement costs.

Fundraising is vital to the success of the Royal BC Museum, however competition for funding in an increasingly demanding market makes this challenging. We have made significant inroads this past year with regard to establishing a membership program and cultivating numerous relationships that may eventually develop into sustainable sources of revenue for the organization.

And of course, our facilities get older with each passing year. At more than 40 years of age, the Fannin tower and exhibition hall increasingly require repairs and maintenance to keep functioning. Infrastructure renewal projects will be carried out as finances permit in the years to come.

Future Outlook

Going forward, financial projections indicate modestly positive operating results. However, the Royal BC Museum faces increased challenges, resulting from a reduction in the operating contribution from the provincial government and from the moderating effects of a global recession. We will be able to meet these challenges, in part, with a firm vision in place to guide the organization's progress and development.

Enhancing existing and establishing new revenue-generating activities is essential to attain our goal of financial sustainability. The fundraising success of the Royal BC Museum is necessary to the maintenance and growth of our business operations.

Capital investments are still very much required by the Royal BC Museum in order to continue to upgrade the buildings to adequately care for the British Columbia collections.

Summary

In our efforts to remain a world-renowned museum and archives while at the same time preserving BC's rich history, operating challenges are evident. Maintaining our excellent standing requires that we go forward and implement our vision with the support of government, community members and the visiting public.

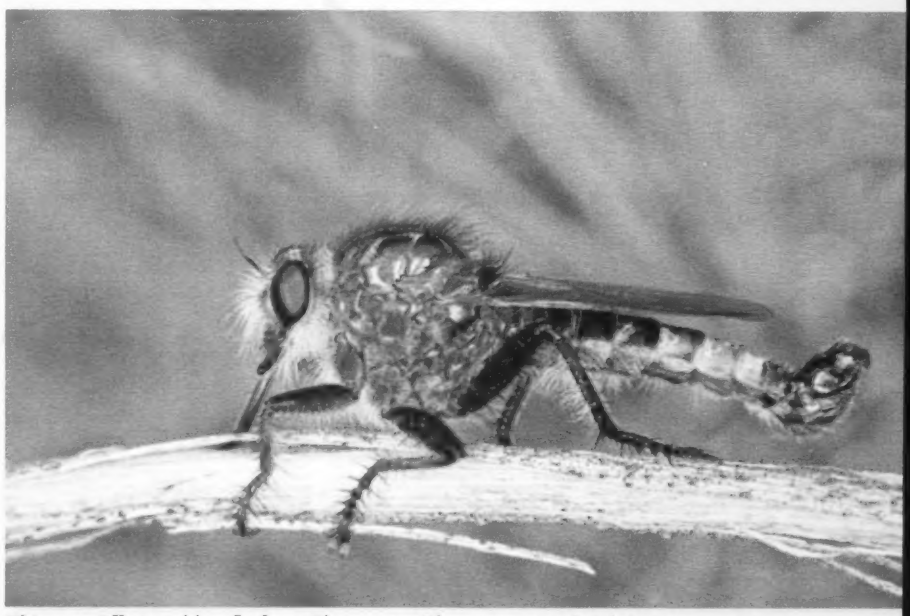
Appendix A: Acquisition and Deaccession Highlights

Acquisitions

Freshwater Limpets. While freshwater limpets are a relatively large and widespread group, this particular limpet, *Fisherola nuttalli*, was thought to be extirpated (no longer present anywhere) in the province until November 2009, when several specimens were found in the Columbia River near Trail. These specimens are of great interest to the conservation community, who hope to use this finding to initiate a more thorough survey for this animal in BC's watersheds.

Sharp-tailed snake. The range of this 'red' listed species is limited to southern Vancouver Island and the Gulf Islands. Only a few records of *Contia tenuis* exist in the museum collection. These two records from Saltspring Island and Victoria further document the distribution of threatened populations of this small, nocturnal, slug-eating snake.

Kenner aquatic insects. This acquisition includes 1,165 specimens from surveys of Jericho Park ponds in Vancouver. It adds significantly to our collections of aquatic insects, especially some groups of Hemiptera (e.g. Family Veliidae) and Coleoptera (e.g. Family Hydrophilidae) for which we presently have relatively poor representation. There are significant numbers of specimens of many species, which is unusual, and offers opportunities for studies on species variation. All the specimens came to us expertly mounted, labelled and identified to species.



This rare Efferia robber fly from Thompson-Okanagan grasslands is new to science. Dr. Rob Cannings, Curator of Entomology, has been studying it for several years and collected several new specimens for the Royal BC Museum insect collection in May 2009. Dr. Cannings is now preparing a description of the new species for publication and is writing a conservation status report on this fly for the Committee on the Status of Endangered Wildlife in Canada.

Icegrass (Phippsia algida), a diminutive grass, was not known to occur in BC until 2004 when Richard Hebda and Ken Marr collected a specimen from northwestern BC in the Level Mountain Range. Since 2004, they have collected it from nine additional locations in the western half of northern BC west of the Rocky Mountain Trench.

Haida Gwaii Slug. Haida Gwaii is known to be home to a wide variety of endemic species – organisms which can only be found within the islands themselves. This little slug is no different. It was first

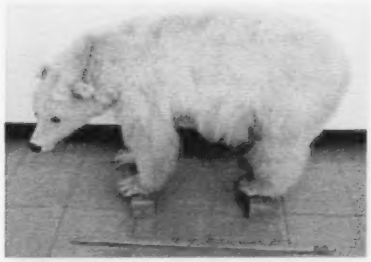
***S'abadeb* Visitor Comment**

All my Relations! So powerful to see our culture presented in a good way. – Vancouver, BC

discovered in 2002 and is still in the process of being formally named. The holotype specimens have been deposited within the Royal BC Museum collections.

Alpine ice grass. This marks the southernmost collection of ice grass in BC to date. A small arctic and subalpine plant, this specimen was collected by Dr. Ken Marr, Curator of Botany, and Dr. Richard Hebda, Curator of Botany and Paleontology, about 630 km from southwest Yukon, where it is more commonly known to occur. South of BC, ice grass only occurs on the Beartooth Plateau (Wyoming/Montana border) and north central Colorado, despite the presence of suitable habitat in much of the intervening areas. Such a distribution suggests that ice grass reached these distant locations during a time when the climate was different from now, with a tundra-like environment at low elevations, permitting it to spread. It likely has since gone extinct from many locations where it likely once occurred.

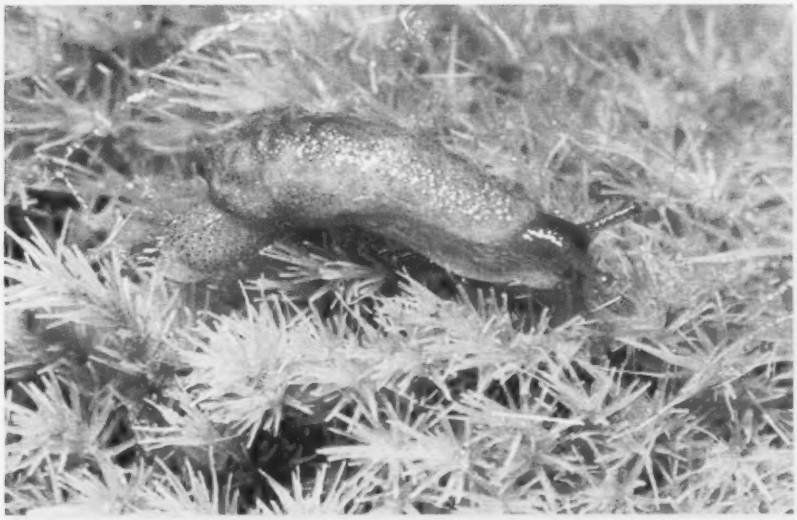
Kermode Bear. An iconic feature of BC's north coast, *Ursus americanus kermodei*, otherwise known as the "spirit bear," is not actually a subspecies but is merely a colour variant of the more common black bear. This 1920s mount found its way into the collection of the Garton Family. Ruth Garton, niece of Francis Kermode, donated her taxidermy collection to the Royal BC Museum to make sure that it was kept together and properly managed.



This Kermode Bear photographed in White Bears and other Curiosities, *has come back to the RBCM thanks to a donation in 2009.*

Proto-Sea Cow. Several fossil fragments of an early marine mammal were discovered in the siltstone of a streambed on the western edge of Vancouver Island. Several teeth, the left side of the skull and several other bones have been incorporated into the collection. Molar characteristics and size appear to be the same as material of *Behemotops proteus*, a sedge-eating sea-dweller that plied the waters of the North Pacific about 25 million years ago.

Miners' Lives oral history collection, ca. 1983. This collection was created in 1983 by Donald Treilhard. He recorded oral interviews with Canadian miners to document this aspect of western Canadian life and took photographs of the men and their surroundings. The collection comprises 60 audio cassette tapes containing 39 interviews, transcripts of the interviews and approximately 820 colour slides.



Staala gwaii, *a newly described species of slug, endemic to Haida Gwaii.*

***S'abadeb* Visitor Comment**

Thanks to RBCM for the sensitive, captivating display. – Seattle, WA

Waldo Skillings scrapbooks. These 13 scrapbooks were created by Waldo M. Skillings between 1961 and 1970 to document his career as an MLA. The scrapbooks contain newspaper clippings, pamphlets, menus, photographs, correspondence and other ephemera. The accession also includes a scrapbook from 1948 which covers Skillings' time as a Victoria City Alderman.

Deaccessions

Two totem poles currently on loan to the University of Victoria. Transferred to University of Victoria.

A wharf model and replica cannon currently on loan to the Vancouver Maritime Museum. Transferred to the Vancouver Maritime Museum.

BC Archives MS-2251. Certificate of the Masonic Doric Lodge No. 18, Nanaimo, 1893, with leather case. Transferred to the Nanaimo Community Archives December 1, 2009.

BC Archives AAAA0530. Microfilm reels 419A-424A, 432A (A1874-A1880). Victoria, BC Board of Trade fonds 1863-1920 (borrowed and microfilmed ca. 1965). Transferred to the City of Victoria Archives November 13, 2009.

BC Archives AAAA0535. Microfilm reels 333A-337A (B14196(1)-B14200). Doukhobors (infected with vinegar syndrome). Sent to Corporate Records for destruction November 19, 2009.

BC Archives AAAA0536. Microfilm reel 332A (A1873). James Mavor fonds (infected with vinegar syndrome). Sent to Corporate Records for destruction November 19, 2009.

BC Archives microfilm reels 10A-11A(1). BC Commercial Journal 1891-1893 (infected with vinegar syndrome). Sent to Corporate Records for destruction November 19, 2009.

BC Archives microfilm reel 32A(2). BC Mountaineer 1923-1936 (infected with vinegar syndrome). Sent to Corporate Records for destruction November 19, 2009.

BC Archives microfilm reel 38A(3). BC Mining and Engineering Record 1910-1911 (infected with vinegar syndrome). Sent to Corporate Records for destruction November 19, 2009.

BC Archives microfilm reels 231A-236A. BC Orphans Friend 1909-1931 (infected with vinegar syndrome). Sent to Corporate Records for destruction November 19, 2009.

New acquisition: A New Parliamentary Mace for British Columbia. This design drawing, submitted in 1953 by Jefferies & Company of Victoria, won the company the contract to create a new British Columbia Parliamentary Mace. Maurice Carmichael, Victoria's leading silversmith for many years, had assumed that he would be awarded the contract and he made only a token effort to secure this work, but when Jefferies presented this eye catching visual graphic the selection committee chose the bowl design and awarded the task to Jefferies. RBCM 2010.49.1

In northern BC, Macoun's Poppy (Papaver lapponicum) typically grows on alpine rocky summits and scree slopes in scattered locations. Usually only a few individuals occur in each population.

Appendix B: Research, Published Articles and RBCM Publications

Below is a list of selected publications associated with current research projects authored or co-authored by Royal BC Museum staff, volunteers, research associates and collaborators.

Peer-Reviewed Articles

Borkent, Art

Spinelli, G.R., P.I. Marino, and A. Borkent. 2009. First description of the male of the predaceous midge genus *Notiohelea* Grogan and Wirth (Diptera: Ceratopogonidae). Entomological News 120: 305-311.

Cannings, Rob

Cannings, R.A. and G.G.E. Scudder. 2009. *Eleodes obscurus* (Coleoptera: Tenebrionidae): confirmation of a Canadian population and possible northward expansion from Washington State into British Columbia in the Okanagan Valley. Journal of the Entomological Society of British Columbia 106: 81-82.

Copley, Claudia

Copley, Claudia R., R. Bennett and S.J. Perlman. 2009. Systematics of Nearctic Cybaeus (Araneae:Cybaeidae). Invertebrate Systematics 23: 367-401.

deWaard, Jeremy

deWaard, J.R., J.F. Landry, B.C. Schmidt, J. Derhousoff, J.A. McLean and L.M. Humble. 2009. In the dark in a large urban park: DNA barcodes illuminate cryptic and introduced moth species. Biodiversity and Conservation 18: 3825–3839.

Hogg, I.D., B.J. Smith, J.C. Banks, J.R. deWaard and P.D.N. Hebert. 2009. Testing the utility of mitochondrial DNA (COI) sequences for the identification and phylogeny of New Zealand caddisflies (Trichoptera). New Zealand Journal of Marine and Freshwater Research 43: 1137-1146.

Hebda, Richard

Howie, S.A., P.H. Whitfield, R.J. Hebda, T.G. Munson, R.A. Dakin, and J.K. Jeglum. 2009. Water table and vegetation response to ditch blocking: restoration of a raised bog in southwestern British Columbia. Canadian Water Resource Journal 34: 381-392.

Howie, S.A, P.H. Whitfield, R.J. Hebda, R.A. Dakin and J.K. Jeglum. 2009. Can analysis of historic lagg forms be of use in the restoration of highly altered raised bogs? Examples from Burns Bog, British Columbia. Canadian Water Resource Journal 34: 427-440.

Scudder, Geoff

Meinander, M., J. Klimaszewski and G.G.E. Scudder. 2010. New distributional records for some Canadian Neuropterida. (Insecta: Neuroptera, Megaloptera). Journal of the Entomological Society of British Columbia 106: 11-15.

Scudder, G.G.E. and R.A. Cannings. 2009. A checklist of the neuropterid insects of British Columbia (Insecta: Megaloptera, Neuroptera and Raphidioptera) with a summary of their geographical distribution. Journal of the Entomological Society of British Columbia 106: 17-23.

Non-Reviewed Newsletter Articles, Chapters or Guides

Borkent, Art

Borkent, A. and G. Rotheray. 2009. Key to Diptera families – larvae. pp. 157-191. In B.V. Brown, A. Borkent, J.M. Cumming, D.M. Wood, N.E. Woodley, and M.A. Zumbado (eds.). Manual of Central American Diptera: Volume 1. NRC Research Press, Ottawa, Ontario, Canada. 714 pp.

Cannings, Rob

Cannings, R.A. 2009. Book Review: The dragonflies and damselflies of South Africa. Florida Entomologist 92(2): 404-405.

Hebda, Richard

Hebda, R.J. 2009. The future of British Columbia's forests requires resilience management. Chapter 36 pp. 202-209 in Drengson. A. and Taylor, D. (eds.) Wild Foresting: Practising Nature's Wisdom. New Society Publishers, Gabriola Island, BC. 307 pp.

Keddie, Grant

Keddie, G. 2009. Human Images: Clothing the past. The Midden vol. 41(3) 11-14.

BC Archives Guides

- British Columbia's Birth, Marriage and Death registration records
- British Columbia's Divorce records
- BC Sessional Papers index, 1872-1916
- History of BC Archives and biographies of Provincial Archivists
- Charles Macmunn photographs
- Charles Eugene Bedaux Canadian Sub-Arctic Expedition records

New acquisition: The One Gallon Imperial Standard. Before legislation was passed to protect against fraudulent weights or measures, a government had to be able to determine what the precise weight or measure should be. In 1864, the Vancouver Island Colonial Government decided a set of standards must be acquired before they could pass such legislation and these arrived in the Colony in 1865. The Royal BC Museum had in its collection most of these measures, but one major gap was the gallon measure for the volume series. Recently, this very measure came up for auction at Kilshaw's Auctioneers Ltd. and we believed this was something we had to try and acquire. Fortunately, with much assistance, we were successful and after many decades of separation the gallon measure has now rejoined the other standard measures in our collection. RBCM 2010.34.1

***S'abadeb* Visitor Comment**

Though provoking, well researched, powerful and beautiful. Thank you. – Winnipeg, MB

Treasures: The World's Cultures from the British Museum

May 1 - September 30, 2009

- British Museum curators Jonathan King and Brendan Moore launched our presentation of this world-class exhibition, speaking about the history of the British Museum and about *Treasures* itself. A tour of the *Treasures* gallery followed the curators' introductory talk. Guests included donors, Friends of the Royal BC Museum Foundation and annual pass holders.
- For three weeks last summer, *Camp Treasures* riveted young British Columbians with 'behind-the-scenes' tours as part of a weeklong adventure. We hosted 53 campers last summer, gaining momentum as we went along. Our August session sold out completely!
- As part of our outreach, during *Treasures: The World's Cultures from the British Museum*, we invited the community to join in our lively, informal *Café Events*. Discussions explored topical themes like repatriation, and death and ritual. Interactive live discussions with panel experts encouraged our guests to express their thoughts in a casual café environment.
- What's cooler than a huge outdoor chess game? Last summer, we invited members of the Victoria Junior Chess Club to play a life-sized game on the museum grounds. Among the real live pieces? Our very own CEO, who assisted the young chess masters in enacting their dramatic game of strategy. Designed to create awareness of the Lewis Chess pieces in the *Treasures* exhibition and to promote the Canadian Youth Chess Championships being held in Victoria in late July, the game was a fun and engaging diversion for all who took part.

Ann Ten-Cate presents to campers behind the scenes at the BC Archives.

11th Annual South Vancouver Island Regional Heritage Fair

May 8, 2009

The Regional Heritage Fair offers local Grade 4 to 9 students the opportunity to exhibit their original Canadian history projects. The Royal BC Museum was pleased to host 40 projects this year. Four of these journeyed on to the Provincial Fair; one went on to the National Fair.

The museum gets into the game as part of the Canadian Junior Chess Championships, July 20, 2009

Helmcken House/St Ann's Schoolhouse

June 1 - September 7, 2009

Open on summer afternoons, Helmcken House and St Ann's Schoolhouse invite our visitors to experience "growing up in Victoria" 100 years ago. Included in museum admission, guests can step back in time by visiting two of the oldest houses in British Columbia.

Campers at the Royal BC Museum summer camp leave their mark.

Live@Lunch

Monthly

It's free, and it's fabulous! Offered once a month on a Wednesday, our *Live@Lunch* discussions are open to the public. They explore a variety of topics related to Royal BC Museum research, collections and exhibitions. This popular program brought over 500 listeners to our Newcombe Hall just between September and December 2009! Last year we offered talks ranging from the censoring of Emily Carr's *Klee Wyck* to our own Jana Stefan's trip to Antarctica to conserve Shackleton expedition artifacts. *Live@Lunch* offers captivating discussion, active learning and a sharing of local expertise.

Students participating in "Fins, Feathers and Fur" school program.

S'abadeb Visitor Comment

Very impressive and spiritual exhibit. I feel that I have walked with the spirit of your ancestors. Quijanami. – Iqaluit, NU

Remembrance Commemorations

November 5 - 11, 2009

In partnership with Veterans Affairs Canada, the Royal BC Museum offers a weeklong roster of Remembrance Day commemorations to honour the role Canadians have served in conflicts and in peacekeeping around the world. Programming – including a visit from the Victoria Children's Choir – is free of charge and includes school programs, public displays by veterans and community groups, curatorial talks and collections highlights. We hosted about 12,000 visitors last year. Three hundred fifty students took part in our school programs, which included panel discussions with veterans, a visit to the collections, and an exploration of the unique forms of trench art that have been inspired by recent conflicts.

The Victoria Children's Choir performs during Remembrance Day Commemorations.

Christmas Programming

December 6, 2009 - January 3, 2010

- The crowds gathered at dusk at the base of the Netherlands Centennial Carillon on December 6. They came for our annual sing-along with the carillon, and our second annual *Carillon Light-Up*. This traditional festivity included songs of the season led by members of the Newcombe Singers, hot chocolate and a thrilling light-up at the corner of Government and Belleville streets.
- Every December, Helmcken House comes alive with the spirit of Christmas in early Victoria. Visitors discover the Christmas traditions of early Victorians through activities, crafts and docent interpretation.
- Decorated for the holidays with a 4.7-metre Christmas tree, streets laced with festive garlands and shops decked in seasonal finery, Old Town brought back memories of Victoria Christmases past.

Treasures: The World's Cultures from the British Museum *gallery docents.*

Gallery Animation

Ongoing

- Our knowledgeable docents offer hands-on animation at these interactive educational stations dotted throughout the permanent galleries. These hotspots for intensive education offer visitors a chance to delve into deeper learning about bears, mammoths, tidal pools, flight, the gold rush, and ocean organisms. The apprentice docent program continues to recruit and train new volunteers who are eager to share the BC story with the world.
- Our visitor tour program takes visitors and dignitaries through our renowned Modern History, Natural History and First Peoples Galleries. (For the time-pinched, we also offer a "highlights" tour.) These fascinating tours, complimentary with museum admission, are offered on a daily schedule and through Group Bookings.

School Programs

Ongoing

Last year we offered a number of programs to British Columbia's young learners. Led by docents in our galleries and in classrooms were:

- *Fins, Feathers and Fur* (Grades K/1)
- *Living and Learning a Century Ago* (Grades 2/3)
- *Simon Fraser: Explorer and Fur-Trader* (Grades 4/5)
- *Our Changing Climate* (Grades 4/5)
- *Wealth from the Ground* (Grade 5).

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